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LEGISLATIVE HISTORY

Public Law 181--79th Congress

Chapter 368--1st Session

H. R. 3907

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DIGEST OF PUBLIC LAW 181

SURPLUS PROPERTY ADMINISTRATOR. Establishes a Surplus Property Administration in the Office of War Mobilization, to be headed by a Surplus Property Administrator, and abolishes the Surplus Property Board.

INDEX AND SUMMARY OF HISTORY ON H. R. 3907

August 28, 1945	Hearings: House, H. R. 3907.
September 5, 1945	H. R. 3907 introduced by Mr. Manasco and referred to the Committee on Expenditures. House Executive Committee reported the bill without amendment. House Report 941. Print of the bill as reported.
September 6, 1945	S. 1353 introduced by Mr. Thomas and referred to the Committee on Military Affairs.
September 10, 1945	H. R. 3907 debated in House and passed without amendments.
September 11, 1945	Senate Military Affairs Committee reported S. 1353 without amendment. Senate Report 557. Print of the bill as reported. Print of H. R. 3907 as placed on the calendar.
September 12, 1945	H. R. 3907 discussed in the Senate and passed without amendment. S. 1353 was indefinitely postponed.
September 18, 1945	Approved. Public Law 181.

TO PROVIDE FOR ADMINISTRATION OF THE
SURPLUS PROPERTY ACT OF 1944 BY A
SURPLUS PROPERTY ADMINISTRATOR

HEARINGS
BEFORE THE
COMMITTEE ON EXPENDITURES IN THE
EXECUTIVE DEPARTMENTS
HOUSE OF REPRESENTATIVES
SEVENTY-NINTH CONGRESS
FIRST SESSION
ON

H. R. 3907

A BILL TO PROVIDE FOR ADMINISTRATION OF THE
SURPLUS PROPERTY ACT OF 1944 BY A SUR-
PLUS PROPERTY ADMINISTRATOR

AUGUST 28, 1945

Printed for the use of the Committee on Expenditures in the
Executive Departments



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TO PROVIDE FOR ADMINISTRATION OF THE SURPLUS PROPERTY ACT OF 1944 BY A SURPLUS PROPERTY ADMINISTRATOR

TUESDAY, AUGUST 28, 1945

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EXPENDITURES,
IN THE EXECUTIVE DEPARTMENTS,
Washington, D. C.

The committee met at 10 a. m., pursuant to call, Hon. Carter Manasco, chairman, presiding.

The CHAIRMAN. The committee will come to order.

The committee has met this morning for consideration of a bill to change the Surplus Property Board to a single Administrator.

For the information of the committee and those interested in these amendments, yesterday afternoon Mr. Symington, Chairman of the Surplus Property Board, came to my office and asked that they be given a little time on the amendments to the entire Surplus Property Act. Mr. Symington has been there a little over a month and does not feel that he is yet qualified to furnish the committee all the information that we would like to have on the subject of the general amendments. I think that he was very fair in his statements to me—and I am saying this for the benefit of the full committee—so our purpose this week will be to hold some hearings on the proposition of changing the Board to a single Administrator.

As you recall, the House last year passed a bill providing for a single Administrator, and passed it by a very substantial majority. When it got to the Senate, we ran into some great difficulties. For about 3 weeks we were in conference over there and finally had to agree to a board. I think experience has probably shown that the original position of the House was entirely correct on all propositions. A lot of people are complaining about the operation of the act. I said at the time we brought up the conference report that we would amend it in 3 months. But it has been in effect almost a year now, and I think most people are agreed that we need some general amendments.

This morning we have with us Mr. Symington, who is Chairman of the present Board.

At this point we will have inserted in the record the message from the President, urging the Congress to amend the Surplus Property Act by changing the Board to a single Administrator.

(The message from the President is as follows:)

[H. Doc. No. 261, 79th Cong., 1st sess.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A REQUEST THAT CONGRESS AMEND THE SURPLUS PROPERTY ACT OF 1944, BY SUBSTITUTING A SINGLE ADMINISTRATOR FOR THE PRESENT BOARD

To the Congress of the United States:

On October 3, 1944, the Congress enacted the Surplus Property Act of 1944, a comprehensive scheme for the declaration, handling, and disposal of all types of surplus property.

The operations of the three-man Surplus Property Board created by that act have been marked by substantial achievements. It has set in motion the disposal machinery which Congress authorized and it has begun to implement the standards which Congress laid down for the disposal of surplus property. Regulations already promulgated or in the process of adoption cover the most important types of property—consumer goods, plant equipment, industrial plants, and farm lands. The emphasis in the Board's task will then shift from the promulgation of policy to the effectuation of basic policies already established.

The task of administration becomes increasingly difficult as the rate of surplus declarations rapidly rises. That rate is rising sharply now. To dispose of this growing volume of surplus property in a manner that will fully achieve the objectives declared by Congress will require the most efficient possible administrative machinery.

While the present Surplus Property Act was under consideration by the Congress the then Director of War Mobilization and Reconversion, Mr. Byrnes, recommended provision for a single Administrator. I think experience has proved him right.

In a field which calls for quick and decisive action, it is undesirable to dilute responsibility for the disposal of surplus property. Administration by a multi-member Board has complicated day-to-day operations under the act.

More recently the retiring Chairman of the Board has stated to the Congress that although he originally shared the view that a three-man Board was appropriate, his experience also led him to the belief that the act can best be administered by a single Administrator.

I am convinced that the effective performance of the vast administrative task remaining for the disposal of surplus property imperatively requires that authority to make decisions and responsibility for those decisions should be centralized in a single official. Such an official should operate, as do all other executive agencies, under the general authority conferred by the President and the Congress on the Office of War Mobilization and Reconversion. Accordingly I request the Congress to amend the Surplus Property Act of 1944 by substituting a single Administrator for the present Surplus Property Board.

HARRY S. TRUMAN.

THE WHITE HOUSE, July 17, 1945.

[Committee Print, August 28, 1945 (For Use of Committee on Expenditures in the Executive Departments)]

[H. R. 3907, 79th Cong., 1st sess.]

A BILL To provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established in the Office of War Mobilization and Reconversion a Surplus Property Administration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$12,000 per year. The term of office of the Administrator shall be two years.

SEC. 2. (a) Effective at the time the Surplus Property Administrator first appointed under this Act qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become,

respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this Act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, in effect at the time the Surplus Property Administrator first appointed under this Act qualifies and takes office, shall remain in effect unless and until superseded or rescinded by the Surplus Property Administrator.

The CHAIRMAN. We will now hear from Mr. Symington.

STATEMENT OF W. STUART SYMINGTON, CHAIRMAN, SURPLUS PROPERTY BOARD

Mr. SYMINGTON. Mr. Chairman and gentlemen, several days ago, when the chairman of the committee invited me to appear today, he stated that the committee has under consideration several bills dealing with surplus property, and asked me to express my views regarding the need for legislation. I should like to begin my testimony by reading to the committee a letter addressed to the chairman of the committee and signed by all of the members of the Surplus Property Board.

Hon. CARTER MANASCO,

*Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: The Surplus Property Board has now been operating for more than 7 months. In that time the Board has set up its administrative machinery; it has issued what it regards as its more important regulations and special orders; and it has gained by experience knowledge of the practical problems that arise in the disposition of surplus property.

On the basis of their experience and in view of the immediate problem that faces the country, all the members of the Board are now prepared to recommend to Congress that it abolish the Board and substitute a Surplus Property Administration headed by a single Administrator. The Board believes that this step should be taken at once.

The end of the war means an immense increase in the amount of surplus property available for disposal. For example, every day the War Department alone is now declaring as surplus to the Department of Commerce property that cost the United States \$100,000,000. It is expected that these declarations of surplus to the Commerce Department will continue at this rate for 60 to 90 days. This property should be put in the channels of trade as rapidly as possible.

The Board has now laid down the general outline of the policies which in its judgment should be followed in disposing of surplus property. The immediate task is not primarily one of declaring policy but one of administration. The Board believes that the change to a single Administrator will make possible the kind of decisive administrative action that will be necessary to deal promptly and efficiently with the large amounts of property now being declared surplus.

The appointment of a single Administrator, however, will not solve all of the problems that have arisen with respect to the disposition of surplus property. Experience has shown that the provisions of the Surplus Property Act of 1944 are not entirely satisfactory. Some of the provisions are ambiguous; others impose serious limitations or restrictions upon the disposition of surplus property. The Board does not believe that any one of the provisions of the act are absolutely unworkable, but it does believe that some of its provisions may create confusion and may make it difficult to dispose of surplus property speedily and on business principles. As the volume of surplus property increases these provisions may in some cases cause delays that will retard reconversion and prevent prompt employment of workers in peacetime pursuits.

The limiting provisions of the act were intended to achieve social or economic objectives that are laudable. In many instances, however, it may not be possible

to comply with these provisions of the act and at the same time to dispose of surplus property so as to create immediate opportunities for employment.

It may be that when Congress reconsiders the question, it will consider that it is more important to promote the particular social and economic objectives embodied in these provisions, including the health of the economy in the long run, than it is to dispose of the property speedily for the purpose of providing immediate employment and preventing delays in reconversion. Nevertheless, the Board believes that a reexamination of this question is desirable. The experience of the last 7 months provides a basis for this reconsideration that was not available when Congress passed the statute.

It is the hope of the Board, therefore, that after Congress has provided for a single administrator it will consider whether changes should be made in the substantive provisions of the act.

Sincerely yours,

W. STUART SYMINGTON, *Chairman.*

EDWARD H. HELLER, *Member.*

ROBERT A. HURLEY, *Member.*

I should like to point out to the committee that the two other members of the Board have been dealing with surplus property problems for nearly 8 months. Since the middle of July, when I became Chairman of the Board, the other two members, Colonel Heller and Governor Hurley, have given fullest cooperation; and it is with pride that we report that every decision has been a unanimous decision. I can never forget their understanding and cooperation. Because of their experience their views are entitled to considerable weight.

In the next 60 to 90 days we are going to face a crucial period in the handling and disposition of surplus property. Property is now being declared surplus in staggering quantities. As the letter of the Board states, one owning agency, the War Department, is declaring personal property surplus to one disposal agency, the Department of Commerce, at the rate of \$100,000,000 a day. That figure does not include immense quantities of personal property being declared surplus by other agencies, large quantities of plant equipment and machine tools being declared surplus, nor does it include a large number of plants which will now become available for disposition in the near future.

All of our energies should be directed toward disposing of this property or arranging for its disposition as promptly as possible. This is primarily a job of administration as the letter of the Board states. Because our immediate disposal problems are so urgent, I think it is important that the question whether the law is going to be administered by a Board or by a single Administrator should be settled as promptly as possible. For that reason I hope that the committee will seriously consider the desirability of recommending legislation to deal with that problem alone before it considers amendments to the substantive provisions of the act.

As the committee doubtless knows, a subcommittee of the Senate Military Affairs Committee has followed this course by reporting out and recommending the passage of a bill to provide for the administration of the Surplus Property Act by a single administrator. I believe it is important to deal with this aspect of the problem first, because I fear that consideration of amendments to the substantive provisions of the act may take a considerable amount of time. I should dislike to see continued uncertainty as to the administration of the present statute while both Houses of the Congress consider the very diffi-

cult questions that will be raised by proposals to amend the substantive provisions of the act.

I do not want the committee to think that I believe the Surplus Property Act of 1944 as it now stands is necessarily perfect or that it could not be improved. The two members of the Board who have served for an 8-month period have expressed the opinion that there are some provisions of the act which were unsatisfactory under the market conditions that prevailed during that period. I am aware of the fact that some of the long-range social and economic objectives of the act may somewhat retard speedy disposal of surplus property. However, I have been acting as Chairman of the Board only since the middle of July, and my experience thus far has been too limited for me so say that amendments are essential to the administration of the act under conditions that are likely to prevail from now on.

Even in the short period of my membership on the Board, there has been a complete change in the military situation. Vast amounts of surplus property are now becoming available for disposition. It may be possible, therefore, to make changes in those provisions of the regulations which were designed to meet the problem of disposition of surplus property during the period when materials were scarce. For example, it was necessary to take special precautions to protect the interests of purchasers to whom Congress indicated that particular consideration should be given. Under present conditions, however, it may be possible to protect those purchasers and still remove from the regulations some of the restrictions which tend to retard the disposition of surplus property.

Regulations and orders of the Board are now under review for the purpose of effecting such changes as can be made to expedite reconversion and the prompt employment of workers in peacetime pursuits without sacrificing the other social and economic objectives of the act. In the event that it is not possible to accomplish these results by the amendment of regulations or by new regulations under the present act, then we believe that the Congress should reconsider the act and make the necessary changes.

Thank you, Mr. Chairman. That is all I have to say.

The CHAIRMAN. Mr. Symington, of course, since we have decided not to go into the amendments to the substantive act, our program for this week will be changed quite a lot. I have had several inquiries yesterday and today about the regulations for the purchase of surpluses by veterans to establish themselves in business. Do you think that under the existing law those regulations should be changed to meet some of the needs and demands of the veterans and veterans' organizations?

Mr. SYMINGTON. Yes, sir, I do. I think you could improve the regulations.

The CHAIRMAN. Are any studies of that kind now being made by the Board?

Mr. SYMINGTON. We are studying that; yes, sir.

The CHAIRMAN. You think that within the next 2 or 3 weeks the regulations will be amended to make it easier for veterans to purchase goods and wares to establish themselves in business?

Mr. SYMINGTON. Yes, sir. We think that that regulation can be improved.

The CHAIRMAN. How do you propose to do that? By direct sales to the veterans in each of the States, or do you intend to have regional offices to make those sales to the veterans?

Mr. SYMINGTON. Well, there is a little difference of opinion as to how that might best be done, sir. We would rather wait. If you can give us the next 2 or 3 weeks, we will come to you with a plan which we think will be a better plan.

The CHAIRMAN. I am wondering about the difficulties you are having under the existing act in the disposal of plants. Of course, very few had been declared surplus up until last week. Are you having any difficulties with that proposition?

Mr. SYMINGTON. Well, the plant situation is a difficult one right now, because whereas there were very few plants that were surplus 2 weeks ago, there are a great many plants that are surplus now. I think we can handle the sale of those plants through, perhaps it might be fair to say, a courageous legal interpretation of the act now better than we could before.

The CHAIRMAN. Last year when we considered the Surplus Property bill, it was amended to give Congress and the Attorney General the right to review the sales. Some of us took the position that when the plants were declared surplus, those restrictions would probably drive off prospective purchasers. Some of us thought at that time that a lot of people would not want to have their names dragged through congressional investigating committees and maybe having the newspapers attack them for purchasing Government property, that cost the taxpayers enormous sums, for a lower sum. Of course, I think we lost sight of the fact that many of these plants were built at high cost in a hurry—special-purpose plants—and with that restriction in the law, it might be a little difficult for the Surplus Property Board or administrator or disposal agency to attract suitable purchasers, thereby leaving the plants idle. I think the local communities are interested in most of these plants being in operation. The fewer restrictions we have on the disposal agencies, the quicker those plants will be put back into operation. Is that your opinion?

Mr. SYMINGTON. I would agree with you, Mr. Chairman, with this exception, sir: There are some cases where the Government has built a number of plants which are run by companies that have previously been criticized by the courts as a monopoly. The Surplus Property Board is willing, therefore, to have that provision in there provided it is handled quickly. I think the act said—

The CHAIRMAN. Ninety days.

Mr. SYMINGTON. Yes, sir. Ninety days is far too long.

The CHAIRMAN. Of course, with our existing antitrust laws, we do not have to have that provision in the act. The Attorney General has authority under the existing antitrust laws whereby prospective purchasers would not have to have any additional legislation like that put in the bill. I think that is going to slow down the sales of some plants and cause them to stand idle, with a lot of people being out of work for quite a while.

Mr. SYMINGTON. It would seem that the question of monopoly would be a resultant of sale and not something before a sale. But, in any case, the Attorney General, or the Department of Justice, has assured us that if that stays in the act, it will be handled very expeditiously, so that it will not hold up potential, prospective sales.

The CHAIRMAN. I have in mind some large corporations wanting to buy a plant for the purpose of keeping it out of competition with them. Under existing laws, aside from the Surplus Property Act, the Attorney General could prosecute such purchasers for violating the Antitrust Act?

Mr. SYMINGTON. Yes.

The CHAIRMAN. That is one of the things that has disturbed me. Another thing that has disturbed some of us is that many people think we are going to get a hundred billion dollars to apply to our public debt by the sale of our surpluses. Have you made any studies of that?

Mr. SYMINGTON. Yes, sir; we have made some. Not so long ago there was \$2,469,000,000 surplus, and of that \$1,696,000,000 was in airplanes alone. That, incidentally, shows how much surplus we have today, or as of even 10 days ago—practically nothing but airplanes. Of that \$1,700,000,000, a large proportion is salable only as scrap. There is no possible use of the bombers, comparable to the B-17 Fortress and B-24 Liberator, or pursuit ships, like the P-51 or the P-40, or P-38. Those machines are worth nothing but the value of the metals that are in them, so far as we can find out.

The CHAIRMAN. They are obsolescent today?

Mr. SYMINGTON. They are obsolete today.

The CHAIRMAN. And would be obsolete tomorrow?

Mr. SYMINGTON. Yes.

The CHAIRMAN. It would be dangerous for our national defense to think that those planes, sitting around in pastures all over the country, would be protection against some future enemy?

Mr. SYMINGTON. That is right, sir. The week before last some of us made a trip south to look at those fields, and last week we made a trip west to look at quite a few of those fields, and it is fair to say that to get a crew together, gas a plane up, and take it over the Rockies—and Mr. Krug, of the War Production Board, incidentally, feels the same way about this particular case—might very possibly cost more than the plane was worth.

The CHAIRMAN. Of course, we do not want to sell any of our combat aircraft to some countries that might disturb the peace of the world in the future; is not that true?

Mr. SYMINGTON. That is right, such as the P-47's, P-51's, and so forth.

The CHAIRMAN. Do you think that changing this act by abolishing the Board and creating a single Administrator will expedite decisions?

Mr. SYMINGTON. Well, we all feel that way, sir—every member of the Board signed this letter voluntarily—that it would be better, because we have so much straight administrative work to do regardless of the policies that you lay out or the terms of those policies.

The CHAIRMAN. Of course, it is much easier for a single Administrator to agree with his own decision than it is to have three men in the Board room who might have three different ideas. We have 435 different ideas about surplus on the House side and 96 on the Senate side. I am sure you would have the same difficulties in the administration of this act.

I do not care to ask any other questions. I think Mr. Hoffman is the next man.

Mr. HOFFMAN. On page 4 of your statement I find this language:

However, I have been acting as Chairman of the Board only since the middle of July, and my experience thus far has been too limited for me to say that amendments are essential to the administration of the act under conditions that are likely to prevail from now on.

You do, however, exempt in your statement the recommendation that a single Administrator be appointed?

Mr. SYMINGTON. Yes, sir.

Mr. HOFFMAN. If I understand you, is not this correct: That as to the social and economic objectives, you have no recommendations as to amendments?

Mr. SYMINGTON. If I have, I would rather take a little longer to look at them before taking a definite position in the matter.

Mr. HOFFMAN. Have the other two Board members any recommendations as to amendments to the act, other than the one as to the single Administrator?

Mr. SYMINGTON. I think they feel that the act should be amended, sir.

Mr. HOFFMAN. When will you and they be prepared to tell us about the amendments?

Mr. SYMINGTON. Well, their position is stated in the joint letter. I would like you to give me more time to look at it. Of course, I do not know that I would be the Administrator, but if I were the Administrator, I think we could come off with some ideas on the act that would improve it.

When I first came here in the middle of July, we had no general counsel and no assistant general counsel; therefore, we had little chance to interpret the act from the standpoint of getting the best practical interpretation of the act. Since that time we have acquired both a general counsel and an assistant general counsel, and we have been able to interpret the act and get on with the job much better than we could before.

Mr. HOFFMAN. In the second paragraph on page 2, which is a paragraph from the letter signed by all members of the Board, you say:

The limiting provisions of the act were intended to achieve social or economic objectives that are laudable. In many instances, however, it may not be possible to comply with these provisions of the act and at the same time to dispose of surplus property so as to create immediate opportunities for employment.

My question is, When will you and the other members of the Board be able to give this committee your suggestions as to any amendments you think are necessary?

Mr. SYMINGTON. Well, I would say that within a few weeks we can decide.

Mr. HOFFMAN. Do you mean 2 or 3 weeks?

Mr. SYMINGTON. It might be longer than that, sir.

Mr. HOFFMAN. We were called back to get this thing through. I for one was having a very interesting time. My people instructed me on what they wanted. I should like to get it over with no undue haste, but as soon as we can.

Mr. ERVIN. He claims he was not fishing, but I cannot prove that.
[Laughter.]

Mr. HOFFMAN. I was listening to what the folks had to say. I had two purposes in mind. One was to see if I could make things better; the other was an eye on the 1946 election. [Laughter.]

People said, "Why don't you fix this? Why don't you fix that?"

I must confess that I do not see my way clear. I want your help and the help of the other members of the Board, if I can get it, and I assume that the other members of the committee do too.

Mr. SYMINGTON. Mr. Hoffman, could I illustrate that paragraph you mentioned? Suppose the question of reference to the monopoly problem, as brought up by the chairman, interferes with the sale of the plants. Then it will interfere with employment, and we would like to come right back and so tell you. Suppose, for example, the necessity for review by small business interferes with the more practical aspect, as we see it anyway, of getting these machine tools working in peace. Then we would like to come back.

Mr. HOFFMAN. When are you coming back?

Mr. SYMINGTON. If they do not interfere and we can go ahead with it, we do not have to come back.

Mr. HOFFMAN. Have you any idea whether you are going to come back?

Mr. SYMINGTON. I would say the chances are, especially as a lot of the act was written during the war and we are now in peace, that we would come back.

Mr. HOFFMAN. About when?

Mr. SYMINGTON. How long will you give me, sir?

Mr. HOFFMAN. It is up to you to tell me. I just want to get a general idea, so that when the newspapers jump on us for not fixing this when it ought to be fixed, we may be able to pass it over to you.

Mr. SYMINGTON. One other modifying statement, if I may make it. We have had practically no sales under this act yet. As of June 30, with the exception of airplanes, we had practically nothing, in the sense of those figures, and they have been declared surplus. However, I should say that within 30 to 60 days we should know where we stand.

Mr. HOFFMAN. That is, by the date originally set by Congress for reconvening, you will be able to give us something?

Mr. SYMINGTON. Within a month of October 8 anyway, maybe by October 8.

Mr. HOFFMAN. Thank you.

The CHAIRMAN. Mr. Cochran.

Mr. COCHRAN. I notice in here, Mr. Symington, that you say the War Department is turning over a hundred million dollars in personal property to the Department of Commerce daily. You have designated the Department of Commerce as the disposal agency for what you term personal property?

Mr. SYMINGTON. Yes, sir.

Mr. COCHRAN. That is consumers' goods, is it not?

Mr. SYMINGTON. Yes, sir.

Mr. COCHRAN. Well, now, who writes the regulations in reference to the disposal of that property? The Board or the Department of Commerce?

Mr. SYMINGTON. The Board, sir; the over-all policy regulations. The administrative orders are under the Board's regulations, from the standpoint of the sale.

Mr. COCHRAN. I sent you yesterday a letter that I received from a veteran who was given back his old job with a corporation. That corporation wanted to do more for that veteran, so they advanced him and gave him a very large field, in which they placed him in charge of salesmen in that field. That requires him to get an automobile immediately. He said that he had some correspondence with the Reconstruction Finance Corporation—I assume he meant the Department of Commerce—and was advised that unless his equity amounted to \$25,000, he could not get an automobile right away. I could not understand that at all, in view of the provisions of the act. Of course, I realize that he cannot get an automobile unless there are automobiles that have been declared surplus.

Mr. SYMINGTON. Well, whoever wrote that letter to him, sir, was not correct.

Mr. COCHRAN. He says that is the information he had, and I sent his letter to you yesterday.

Mr. SYMINGTON. I should like to look at it.

Mr. COCHRAN. Let me ask you this: Have you found that the departments are hoarding the property that could be declared surplus?

Mr. SYMINGTON. No, sir. I think that in the last week or 10 days it has been a little the other way. They have been very anxious to get rid of it.

Mr. COCHRAN. I contacted the Defense Plant Corporation of the RFC, which I understand is named as disposal agency for plants. The Government had set up a plant in St. Louis that manufactures wire rope. They contracted with a New York corporation to run that plant. They had 3,500 employees. Now their contract is canceled. Naturally, the employees went out.

The employees wrote and said that that corporation wanted to buy that plant—or, at least, they told them they wanted to buy that plant—and operate it in connection with their business. It is already tooled for the manufacture of wire rope. The corporation that ran it was in the business. It is just enlarging its activities if it makes a contract to either lease or buy the property. Now, do you not feel that the War Department overnight should release and declare surplus a plant of that character?

Mr. SYMINGTON. Absolutely, sir; there is no question about it, unless they plan to hold it in permanent reserve.

Mr. COCHRAN. Under the provisions of the act, you cannot dispose of surplus property if it is going to interfere with private business or is going to cause unemployment; is that true?

Mr. SYMINGTON. I would not know exactly about that offhand.

Mr. COCHRAN. Here you have this situation—and you know it because you come from there—you have two great big wire rope manufacturers out there, who have been in operation for many, many years. Human nature tells me that they will want to oppose the operation of that plant by another corporation, because it means competition in business. But under the law you can dispose of that now because it is not going to interfere with private business and it is not going to cause unemployment; but, on the other hand, it will cause employment. I think plants of that kind should be declared surplus immediately.

Mr. SYMINGTON. So do I, sir.

Mr. COCHRAN. Let me ask you this question: Under the provisions of the act you can go from department to department to find out whether they have any surplus properties that should be declared surplus but have not been declared surplus?

Mr. SYMINGTON. Yes, sir.

Mr. COCHRAN. Have you a set-up that is doing that?

Mr. SYMINGTON. I would not say there is a set-up for that that is adequate. We have a set-up, but it is not enough.

Mr. COCHRAN. I think we ought to go to work on that immediately. Let us take, for instance, shoes. No one knows how many pairs of shoes the Government has at the present time. It certainly has more shoes than are needed. Therefore, if the War and Navy Departments now declare shoes surplus and place them on the market, you are not in any manner, shape, or form interfering with business, because there are no shoes being sold to amount to anything and they are rationed.

So it is my viewpoint that the holding agencies should declare surplus everything that they properly and possibly can, even if they go so far now as to dispose of surplus property that might require them at some future date to rebuy some properties. In other words, if we get rid of a large number of shoes now, and we are not interfering with the industry, we are not causing unemployment. At a future date, if we find we are going to be required to have additional shoes, they can be bought. But if we hold these shoes and do not put them on the market now, then we are not going to put them on the market, because industry will not let you put them on the market and the employees will not let you put them on the market.

Even if it might cost the Government a little of the money they might receive for the surplus property they are disposing of now by buying new property of the same character, it seems to me that it would be a very fine thing to get those things on the market. The letters that are coming in with reference to surplus property are piling up on the desk of every Congressman.

I think you have a very good policy in distributing through distributing agencies, but it is my viewpoint that it is the movement now that is going to benefit the Government, because if you do not move it now, you are going to have nothing but storage plants all over the United States, storing surplus property that you could dispose of now. Later you would be interfering with private industry and might be causing unemployment.

Yesterday I had a call from a very, very large contractor in St. Louis, who operates not only in this country but also in South America and other places. He said they had been asked to run—not build, to run—a plant in California that they proposed to use to store surplus property—property that is used by general contractors all over the country, property of every type, including bulldozers, trucks, and all kinds of materials used in road building and in other types of building. They had been asked to bid on operating that plant for the RFC. The buildings are already there, but they are going to store property there.

Why store it if it is surplus? Why not put it on the market right away, before the private corporations get bulldozers and that type of machinery back on the market? Because when they do put it back on the market, then you are going to have a situation where you are

going to have to keep your stuff in the warehouses and not be able to sell it.

I realize the situation that confronts you; but, as far as I am concerned, I will tell you that when all three members of the Board, or possibly two, who might lose their jobs, come before a committee of Congress and say that the law is not workable under a board but that we must have an administrator, then I am for the administrator, and for one immediately, and I think you are sound in saying that we should amend that part of the act now, placing in the hands of the administrator the power that is now in the Board, and taking up at a future date the question of amendments to the act.

Having had experience in handling this act as one of the conferees, as one who was on the floor when the bill was considered on the floor of the House, and as one who was there when the conference report was considered, I will say that you are 100 percent right, because we sat with the Senate conference committee for weeks and tried to get a decent law, but all we got in the end was a monstrosity. I can tell you that I for one would never have signed the conference report if I had not been asked from uptown to sign it, because I was told that if they did not have a certain type of law of that kind, they could not sell defense plants or dispose of land. I gave in for that reason alone. But the law itself, in my opinion, should be rewritten.

In the meantime, knowing that it is going to take some time to rewrite the law and get it through this Congress, I believe that this committee should go ahead and act upon your suggestion and provide for an administrator with the power now in the possession of the Board, and take up the other questions afterward.

Mr. HOFFMAN. Is not the one issue back of all this whether we are to either destroy this property or let it become of little value through delay, so that it will not interfere with the creation or continuation of jobs, or if we should not get it into the hands, as soon as possible, of those who might use it, which might delay the creation of a few jobs or prevent the continuation of a few jobs?

Mr. COCHRAN. The policy laid down in the act is that surplus property cannot be disposed of if it is going to interfere with private enterprise or is going to create unemployment. Therefore, it is my viewpoint that the time to get this stuff on the market is now, before private industry gets back to normal and manufacturing articles that it has not been manufacturing during the period of the war, so that we will not be interfering with private industry. There is a demand for all the surplus property we have, if we put it on the market right now.

Mr. HOFFMAN. I get two classes of complaints, right there. One is from those like the veteran you spoke of a while ago, who wanted an automobile. Contractors in my district want machinery; farmers want tractors, but the men working in the factories say, "No; you must take the old stuff out to sea and sink it, so that we can go to work, so that we can make more."

Mr. COCHRAN. They can say that until private industry has it on the market. Then, under the law, they have a right to come in, if they can prove that they are manufacturing these articles that the Government is trying to sell in competition with them. That is the reason why I advocate the immediate sale of all surplus property.

Mr. HOFFMAN. I am with you on that.

Mr. SYMINGTON. Yesterday we discussed in a board meeting \$500,000,000 worth of surplus declared to the Department of Commerce last week. I think that is considerably more in 1 week than the surplus that has been sold, if not entirely, for a long time.

Mr. COCHRAN. Was that aside from airplanes?

Mr. SYMINGTON. Yes, sir; that was consumers' goods, in the Department of Commerce alone. It was not plants, not machine tools, not raw materials.

The second point is, following Mr. Cochran's thought, that we have worked out with the Army and Navy that there is not going to be any more moving of things around unless absolutely essential, due to some extraordinary condition or something involved in contractor inventory. It is going to be sold where it is and taken care of where it is. It is going to stay in the custody of the Army and the Navy, and they are not going to just kick it out to the RFC, for example. In that way, we will have it handled by experienced people, who put it there, and who have the proper nomenclature, stock records, bins, and so forth, and they will maintain custody of it. The people from the disposal agencies will come in and work with whoever is handling the situation to direct the sale from where the material now is. I think that follows your thought.

Mr. COCHRAN. It follows my thought, and I think it is a good plan, because the RFC has not the places to store that tremendous amount of property that the Army and Navy now have. While it is declared surplus, it could remain in their possession, be sold, and then could be transported from where it now is to the purchaser.

Mr. HOFFMAN. I was talking yesterday to an officer of the Navy who has been in the service for more than 10 years and who has been in the islands within the last 20 days. He says that there are acres of machinery used for construction in the islands. Is there any idea of trying to sell that? Not, of course, here, because the cost would be prohibitive. What do you proposed to do with that stuff?

Mr. SYMINGTON. Well, first it will have to be declared surplus by the owning agency. If it is the Navy, then the Navy must declare it surplus.

Mr. HOFFMAN. This would be the Navy?

Mr. SYMINGTON. Yes, sir; if it was in Navy grounds. If it was Army, it would be Army.

In other words, the Army is an owning agency, and the Navy is an owning agency, and it would be up to whichever one of those branches owned that particular material. Then, the question would be whether they would try to sell it over there or would try to bring it back here. If it were machinery in the Southwest Pacific, it would be my guess that they would not want to return it for any reason; they would try to dispose of it over there, under the Army-Navy Liquidation Commission.

Mr. HOFFMAN. Do you know whether there is in the islands a little Pentagon Building that neither the President nor the late President on his inspection trips nor any committee of Congress has ever seen?

Mr. SYMINGTON. No, sir.

The CHAIRMAN. Mr. Bender.

Mr. BENDER. Mr. Symington, the Surplus Property Board controls all disposals of surplus property but does not sell any itself; is that correct?

Mr. SYMINGTON. Yes, sir.

Mr. BENDER. You have approximately 100 branches all over the country directly under your jurisdiction; is that correct?

Mr. SYMINGTON. No, sir; we do not do the selling; we control the policies of selling, and we have no branches; we have only the one office, or group of offices, here in Washington.

Mr. BENDER. For example, there is the Smaller War Plants Corporation district office in Albany. What is the function of that office?

Mr. SYMINGTON. Well, that is the Smaller War Plants Corporation.

Mr. BENDER. What jurisdiction do you have over that Corporation?

Mr. SYMINGTON. None, sir, except under the Surplus Property Act.

Mr. BENDER. Well, if there were a single administrator, would his status change in that connection, or would you have some agencies actually handling the disposal of surplus property?

Mr. SYMINGTON. Well, it would be my guess that the administrator, if there were a single administrator, would continue to utilize the present disposal agencies.

Mr. BENDER. Does the Surplus Property Board have any district agencies at all? For example, take the headquarters in Cincinnati. What is the function of that headquarters as it relates to this office?

Mr. SYMINGTON. Well, in Cincinnati there would be various headquarters. There would be the Smaller War Plants Corporation, there would be the Reconstruction Finance Corporation, there would be the Department of Commerce, and presumably the Department of Agriculture. Those would be disposal agencies. In the case of the Smaller War Plants Corporation, it would be tied in with veterans' preferences.

Mr. BENDER. What would be the function of the administrator as compared with the function of the present Surplus Property Board?

Mr. SYMINGTON. There would be no change in that, sir, as I see it.

Mr. BENDER. The administrator, then, would direct the sales but not actually have anything to do with the disposal of the property; is that correct?

Mr. SYMINGTON. He would direct the policies of the sales, the same as the Board does now, sir. He would not have anything to do with the actual sale, then or now, except under the policies and regulations laid down by the Board.

Mr. BENDER. It seems there is a criticism—and I think it is a justifiable criticism—regarding the dilemma that the average citizen finds himself in when he asks about purchasing some surplus property: That he of necessity has to contact possibly a dozen different agents before he can find the article that he is looking for, and possibly some slicker who knows the ropes has the advantage.

What can you suggest to correct that? Is there anything in your mind that can be done about this particular problem? Do you have something to recommend, so that everybody who wants to know can get the information very readily without going through some agent or some wise guy who knows his way around?

Mr. SYMINGTON. Well, the Board's activities, or the Administrator's activities, are limited to the policy level, but some of us have changes which we would recommend to the Board, if it stays this way, or to the Administrator, in respect to what I think you are talk-

ing about, sir—operating conditions on the operating level. There could be improvements, in the minds of some of us, on the operating level to streamline it and centralize it, and there could be improvements in the dissemination of information prior to sale.

Mr. BENDER. You have in mind, then, possibly changing the present set-up as to the disposal of property, with perhaps the elimination of some of these agencies, and having a more direct connection with the sale of the article than you now have?

Mr. SYMINGTON. Well, not so much the latter, but we have ideas with respect to centralizing the actual conditions in the field that your people object to, and if we present those on the right basis to the various disposal agencies, we feel pretty confident that they will be accepted.

Mr. BENDER. In connection with the disposal of Army and Navy property, have you had an experience where the Army or Navy objected to disposal of property, or do they indicate to you what they choose to dispose of?

Mr. SYMINGTON. No, sir. To date the Army and Navy have been most cooperative in the few weeks I have been here in this problem.

Mr. BENDER. That is, you have had no difference with them? They have indicated what was surplus?

Mr. SYMINGTON. That is right, sir. They have indicated plenty of it in the last 10 days.

Mr. BENDER. Well, do you think that is a wise plan?

Mr. SYMINGTON. Well, Mr. Bender, if we feel that they are not declaring the merchandise surplus, we not only have the right but we have the duty to report that fact to you, which we will do if and when we feel that way.

Mr. BENDER. You want to have the authority over the Army and Navy, or over any Government agency, to declare surplus whatever they are not declaring surplus when you regard it as surplus; is that correct?

Mr. SYMINGTON. We want the right to report to you that they are not declaring it, and we have that right now.

Mr. BENDER. How many employees does your Board have today, approximately?

Mr. SYMINGTON. We have just under 230, sir.

Mr. BENDER. You have in mind expanding your Board so that you will have a larger number of employees?

Mr. SYMINGTON. Our original estimate was for about 377, I think it was, and since that time about 13 who are in the O. W. M. R. are coming over, so that we can handle our own personnel problems. There are a few more people added, so the top budget would be 403. If some of the changes which we hope to put in on the operating level, if we continue to be in this picture, are adopted, they would, if anything, reduce that number somewhat instead of increasing it.

Mr. BENDER. How do you propose to change the picture as far as your local problems are concerned—that is, these various agencies? For example, in Atlanta, Ga., there are 9 disposal agencies; in Chicago there are possibly 10 or 12 disposal agencies. Do you have in mind a plan to change that in any way?

Mr. SYMINGTON. We have in mind more uniform methods of sale in those various agencies.

I may say, sir, that the time is very short now; that this tremendous surplus has actually hit us, and therefore, even though on paper it would look better from a business organization set-up standpoint to maybe move some of those agencies out, nevertheless you would be losing a lot of relatively experienced manpower and shoe leather in the disposal situation itself if you eliminated any of those agencies.

For example, suppose you eliminated the Department of Commerce from the disposal picture in order to consolidate it in the Reconstruction Finance Corporation, or vice versa. Then you would be eliminating a great many people, and we do not have enough people as it is.

Mr. BENDER. Just as a very simple example, suppose this ashtray were declared surplus. You would declare that surplus; is that correct?

Mr. SYMINGTON. No, sir; the owning agency would declare that surplus.

Mr. BENDER. The owning agency would declare it surplus?

Mr. SYMINGTON. Yes, sir.

Mr. BENDER. What is your function as far as that article is concerned?

Mr. SYMINGTON. We have laid down the policies under which that article is sold, and the disposal agency, which in the case of that article would be the Department of Commerce, would take steps to sell it on the best basis to the Government and under the terms of the act.

Mr. BENDER. So you actually have something to say as to the disposal of that article?

Mr. SYMINGTON. As to the policies of the disposal of that article.

Mr. BENDER. But those agencies would all continue just as they are in connection with the disposal of this property?

Mr. SYMINGTON. I would not know about that, sir.

Mr. BENDER. Frankly, today, especially as to those of us who live in larger centers, you have no idea what problems are presented to us, and the inquiries that are made regarding this whole problem. It is like looking for a needle in a haystack. I have inquired in Washington, and I have been sent to Cincinnati, and I have been sent back to Washington, and then I have been sent to some other place, and have got the run-around—a first-class run-around—in connection with the disposal of this property. You do not know whether you are on foot or on horseback most of the time. When you try to give an intelligent answer to any constituent regarding a particular problem, frankly he thinks you are just as crazy as the rest of them. That is what we are trying to eliminate.

Mr. HOFFMAN. Did you ever read the bill?

Mr. BENDER. Yes; I have read the bill, and I had something to do with its passage. I think the bill is pretty good, but it seems to me that the Board ought to have more power, if it has not assumed the power. It ought to be given the power to dot more i's and cross more t's. If that is what you are seeking, I am for it. I am for giving authority somewhere so that we can get away from this awful dilemma in which we find ourselves.

Regarding the hiring of personnel for the disposal of surplus properties—and please, because I am a Republican, do not think I have any ulterior motives in asking this question—

Mr. HOFFMAN. You do not need to admit that.

Mr. BENDER. What place has politics in this picture? Any?

Mr. SYMINGTON. Absolutely none.

Mr. BENDER. I was just asking that so that you would answer the question and it would be a matter of record, because I have been told that certain people in Cincinnati who are hired for various jobs must clear through the regular Democratic Party sources and must have certain recommendations, which is perfectly all right if that is the policy. But I wanted to know just exactly what your view of this was.

Mr. SYMINGTON. Well, that is not the policy of the Surplus Property Board, sir. My view would be that that would be unfortunate.

Mr. BENDER. So the employees in the various disposal agencies are hired in the regular, routine way? For example, the Army, the Navy, the RFC, and the other departments hire these employees in the same manner as they do all the other employees of the Government?

Mr. SYMINGTON. Well, you see, we do not control the hiring of the people by the disposal agencies. It does not seem right to lay down rules and expect them to sell and move the property which must be moved as quickly as possible, and tell them whom they have to choose to do the job. So the Surplus Property Board is not in the business of regulating the hiring of people in the disposal agencies in the field. We do regulate the people who work for the Board, however, and there is no politics in that. I can assure you of that.

Mr. BENDER. Under the law, the Federal Government has the first crack at whatever there is to be sold; is that correct?

Mr. SYMINGTON. That is correct.

Mr. BENDER. Then the local agencies—the various school boards, the county commissioners, and all the other political subdivisions—have 30 days?

Mr. SYMINGTON. No, that is not right, sir.

Mr. BENDER. In which to buy?

Mr. SYMINGTON. The first priority is to the Federal Government, and by regulation of the Surplus Property Board the Federal Government priority is 18 days.

The second priority is the State and municipal priority, and by regulation of the Surplus Property Board we extend 12 days, or a total of 30 days. Beyond that point they are not priorities; they are preferences, in the act, to institutions like tax-free institutions, and so forth.

Mr. BENDER. How is a municipal or a local government or a county government or a State government to know that certain property is available?

Mr. SYMINGTON. Well, an effort has been made to give them that information on the part of the disposal agencies, and in the regulation that is pretty well set up.

Mr. BENDER. There are so many local governments. For example, take our county commissioners in Cleveland. I am a Republican; they are all Democrats; but they are bellyaching constantly about not having information as to what is available. They would like to make purchases. Is that a proper complaint?

Mr. SYMINGTON. It comes both ways. There are a lot of people who claim they have too long. A lot of people think the 30-day

priority—18 plus 12—has killed a lot of sales. A lot of people feel the Board has gone too far in emphasizing priority under the act.

They are getting information as to what they can purchase, if they look for it.

Mr. COCHRAN. I think we are all getting more inquiries in reference to consumers' goods than anything else. The disposal of consumers' goods was placed in the Procurement Division. The Procurement Division was a purchasing agency. It purchased not only for the Federal Government, but it purchased for Lend-Lease and UNRRA.

That being the purchasing agency, the Surplus Property Board transferred the sale of consumers' goods to the Department of Commerce as the disposal agency, and along with it went the transfer of regional offices of the Procurement Division, that was handling the disposal of surplus property. We have one in my State, at Kansas City. They issue a publication, which comes to my desk all the time, telling what surplus property is available. That is sent to the States and the municipalities as well as to the Federal agencies.

They are continually trying to secure surplus property, and when they do secure it, they notify those who have priority that it is available. Then the have to come in and purchase it if they so desire. That is the policy that is followed out in my State and in that region, because this is a regional office at Kansas City. It is not only for Missouri, it is an office for several States.

Mr. BENDER. Specifically, I have in mind one case, the Cleveland Pneumatic Tool Co., which manufactures pneumatic tools. I have been told by an engineer of that company, since they were almost 75 percent in war work, and pneumatic tools were a part of the war effort, that they find themselves in a situation where they cannot possibly produce a pneumatic tool. The figures I am going to use are my own; I do not have the correct figures. I am using an arbitrary figure. They cannot produce a pneumatic tool at the price they sold the Government, with all the other provisions of the war regarding pay, working conditions, and whatever the War Labor Board and the other agencies require of them, for less than \$100, we will say. Now they come along, and this tool, the same tool that they manufacture and their competitors manufacture, is put on the market for \$25. So here is this firm, which knows only how to manufacture good pneumatic tools, finding an abundance of them.

The question arises as to what authority you have, or what is your attitude or the attitude of the Board or the Administrator, in connection with that specific problem. It is multiplied hundreds of times, I am sure, but it is something I cannot answer. Have you folks adopted a policy regarding a problem of that kind?

Mr. SYMINGTON. No, sir. We are now studying the problem of our rights for selling back to manufacturers at their cost, at the price they sold to the Government, in order that they can protect their rights.

Mr. GOSSETT. I had a meeting with a good many retailers, and the opinion of many of them was that this goods should be funneled back through the original wholesaler or manufacturer. I think that should be given study.

Mr. BENDER. Have you given any thought to selling merchandise or directing that merchandise be sold to local retailers, the department stores, and so on, in order to make available those articles that would

not interfere with production, such as I have just referred to, so that the consuming public would have an opportunity to see what was available? I do not necessarily mean the establishment of retail stores by the Government, but through local retailers making this property more accessible to the consumer. Have you given that any study?

Mr. SYMINGTON. Well, in the Department of Commerce, sir, the policy has been to attempt to funnel as much merchandise as possible through normal channels of distribution, and we think that is a correct way of doing it wherever possible.

Mr. HOFFMAN. On my desk—I do not know if they were sent to you this morning—there are two letters from the Department of Commerce, saying just exactly what you are saying. I have answered one. I have forgotten the other.

The CHAIRMAN. That is all.

Mr. SYMINGTON. Thank you, sir.

Mr. WHITTINGTON. Mr. Symington, the concrete proposal recommended by the President in his message limits our consideration to the substitution of a board by a Surplus Property Administrator, and you concur personally and as Chairman of the Board in that recommendation, and have asked that that matter first be considered by this committee?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. Now, in the event the committee adopts that recommendation and reports the bill for that purpose, all the other provisions, limitations, restrictions, priorities, preferences, and provisions of the existing Surplus Property Act of 1944 will obtain, and you or your successor as the single Administrator will have no power or authority or discretion except that now conferred by law upon the Board?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. I would like to say personally that this committee was called back here a year ago and we were urged to report the Surplus Property bill as an emergency matter. Much has been said about delay. Some of that can be laid at the door of Congress. Other delays, I think, are attributable primarily to the Board. But this act was passed and approved by the President on October 3, and the Chairman of the Board was not appointed until after the turn of the year. And I make no criticism of the Chairman or the members of the Board, but I am emphasizing that in my judgment there have been unreasonable delays attributable in part to the Congress and to the inconsistencies and to the undue restrictions and limitations of the act, for which neither this committee nor the House of Representatives is responsible.

However, the country is not satisfied, and I think they have a just complaint with the delays in the disposal of surplus property. To summarize, under the Surplus Property Act, as you have indicated this morning, the Board has only such powers as are conferred by that act. Secondly, no property can be ordered to be disposed of by the Board unless the owning agency declares that property to be surplus. And primarily that property is under the control of the Army and the Navy; by and large, is not that true?

Mr. SYMINGTON. That is correct, sir.

Mr. WHITTINGTON. So that you cannot dispose of any property under the supervision of the Army unless the Department of War first

declares that to be surplus, and you cannot dispose of any property under the supervision of the Navy Department, unless the Navy Department first declares that to be surplus. And the Navy Department itself cannot dispose of any combat vessel, battleship, or submarine or others of the types named in the act, even by decreeing that surplus, because that disposal must be first of all by an act of Congress. And then your Board and you as single Administrator, if you are appointed, would designate the disposal agency, fixing the policies and making the regulations. And these disposal agencies, among which you have named the RFC and the Smaller War Plants Corporation and the Department of Commerce, through their representatives in the various regions of the country, actually dispose of the property decreed to be surplus.

And in your policies you provide for the priorities to the Federal agencies and to the State agencies, and preferences to veterans, and to hospitals and schools that are provided by the act, and the preferences to veterans and former owners in the purchase of land that may be declared surplus, and for the disposal of land as contemplated by the act. And all of that would still obtain in the event the proposal advocated by you and by your two other members of your Board are adopted by the committee and recommended to the House; is that not true?

Mr. SYMINGTON. Correct, sir.

Mr. WHITTINGTON. You began your statement by reading the letter addressed to the chairman of the committee. That letter was just submitted today to the chairman of the committee, was it not, so it may be said to be dated today or yesterday?

Mr. SYMINGTON. Yesterday, sir. August 27, 1945.

Mr. WHITTINGTON. So that is the last word, and that is the view of yourself and the members of your Board. Now, Mr. Symington, under the terms of the Surplus Property Act of 1944, the Board was required, under section 24, as you stated, to make reports to Congress every 3 months?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. With your recommendations. Have those reports been submitted?

Mr. SYMINGTON. No, sir.

Mr. WHITTINGTON. Well, pardon me. With all due respect to you—

Mr. SYMINGTON. I beg your pardon. You are talking about 24. I was thinking of 19.

Mr. WHITTINGTON. I will get to 19 in a minute. That was the War Plants reports.

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. The reports I am asking you about, in order that the country and Congress might be advised as to the administration of this act—it was never contemplated, by and large, that there would be any disposal of Navy property at all until after the conclusion of the Japanese war, and frankly, that war is not completely over yet. So your disposal has been limited largely to the property declared to be surplus by the War Department.

But you were required—I mean your Board was required to submit recommendations to the Congress every 3 months, with any statements

you had to make about the amendments of the act. And frankly, I regret delay in submitting these reports.

I am not meaning to be critical, but I am going to ask you at this point to insert in the record—if you will give us first how many reports have been submitted, and substantially their dates—the reports the Board has submitted, by stating their dates.

Mr. SYMINGTON. Well, there have been two quarterly reports submitted. The first one, I do not know much about. The second one was submitted in July, dated as of May 28. The third one I read a proof of last night, and that is dated the 17th of August, and takes up through the 30th of June, for that quarter of April, May, and June.

Mr. WHITTINGTON. Mr. Chairman, I will ask that those reports be inserted in the record. I think the Congress is entitled to the information.

Mr. COCHRAN. How long was the report?

Mr. WHITTINGTON. To be furnished by the chairman.

Mr. SYMINGTON. The second one is 102 pages.

Mr. COCHRAN. Will you yield?

Mr. WHITTINGTON. Just a moment, please.

Mr. COCHRAN. Mr. Symington said that report was 102 pages.

Mr. WHITTINGTON. As far as I am concerned, this is a hundred-billion-dollar proposal, and I understand that is pretty long, and I am perfectly willing to leave that to Mr. Symington and the chairman. But the high points of the report ought to be submitted, in my humble judgment, in connection with the hearings.

Mr. Symington, you spoke about a recent declaration of a hundred million dollars by the Army. Have there been any substantial declarations of surplus property thus far by the Navy Department?

Mr. SYMINGTON. Not as much as by the Army, sir. They are in the process now of giving us substantial surplus declarations, so we have been advised.

Mr. WHITTINGTON. Have any of the other executive agencies or Government departments declared surpluses of war property? Everybody came to Congress, every executive department, and asked for increased appropriations, stating it was essential to the prosecution of the war. Now I want to know if the other departments of the Government have declared the property that they acquired, that Congress appropriated for, generally, any of them, surplus?

Mr. SYMINGTON. Well, there have been some declarations, sir, but a very large proportion has been by the Army and Navy.

Mr. WHITTINGTON. Would you care to state, just from memory, generally, what other departments have declared surplus property?

Mr. SYMINGTON. I would rather check it, if I may, first.

Mr. WHITTINGTON. I beg you pardon?

Mr. SYMINGTON. I would rather check it, if I may, first.

Mr. WHITTINGTON. Just to refresh your memory, what about the War Food Administration, with the hundreds of millions of food which has been accumulated for the war, since the cessation of hostilities in Germany, has that been made available as surplus?

Mr. SYMINGTON. You are talking about in this country?

Mr. WHITTINGTON. Yes, for the present.

Mr. SYMINGTON. It has been moving so fast that I do not know how much they have declared surplus.

Mr. WHITTINGTON. It is fair to say we put a provision in the act saying it should be handled by the War Food Administration, and it did not give you much power—I mean the Senate insisted on the provision. That is a fair sample of the things I call restrictions and limitations. You said that when you came in some 30 days ago you did not have general counsel. There had been counsel, either general or special, who had resigned about that time, is that not true?

Mr. SYMINGTON. Several weeks before I came in, sir.

Mr. WHITTINGTON. I understand; but previous to that time?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. Your predecessor had resigned, and I think the country should be congratulated upon having a man of your type and qualifications as Chairman of the Board—and I speak most kindly here of the other two members of the Board.

Now, with respect to the Administrator generally, we have one man as president of banks, one man as chief executive officer of practically every corporation or business of consequence in the country. It is essential for efficient administration and prompt conclusions, and I favor the Administrator as opposed to the Board idea.

I have in mind one board set up by the Congress—and I think a single Administrator would have been preferable. We had nothing but difficulties with the Tennessee Valley Authority because of divided authority, and it took a decision of the court and the President to get that matter adjusted.

But the arguments now that have been made for a board—and you will recall that when this surplus-property bill passed the Senate, that they had a board of six or seven members over there—the argument is made that there is too much power and authority for a single, individual Administrator, where he may dispose of 10 billion or 50 billion dollars or more of property.

Is it not true, sir, that under the terms of the act the Administrator would be limited by the provisions of the act, including the disposal of plants, to plants that cost less than \$5,000,000? That is, the existing act.

Mr. SYMINGTON. Yes, sir. Prior to submitting a report to Congress he would be limited in selling plants in the first eight groups to plants under \$5,000,000. The \$1,000,000 figure relates to the Department of Justice.

Mr. WHITTINGTON. That is right; one under section 19 and the other under the section with respect to the opinions of the Department of Justice on antitrust and other laws.

But now, with respect to plants, having asked you about the general reports Congress and the country are entitled to, to be filed every 3 months with your recommendation, whatever it would be worth—my view is that the Congress is going to be entitled in the amendments of the act to the recommendations of the Administrator, because I think our difficulty among other matters is going to be in getting the War and Navy Departments and other agencies to declare property surplus.

We have a hundred statutes on the books, almost, with respect to disposal of surplus property. But back to plants now, the Board was required to submit, under section 19, as you indicated, reports covering the cost, location, and other matters in connection with

plants, within 3 months. Have those been submitted, and, if so, how many reports have been submitted?

Mr. SYMINGTON. No, sir. There have not been any so far.

Mr. WHITTINGTON. In other words, the Surplus Property Board under section 19 required to submit reports, have not submitted reports. Have you any statement to make as to why those reports have not been submitted? I am sure the committee and the country understand you are not responsible. You were not on the Board, but frankly, as a member of this committee, I am just wondering if we can tell Congress or the country why they have not had such reports about the valuation of these plants, the necessity of those being continued, where they are constructed, and so on, as provided by section 19?

Mr. SYMINGTON. The only statement I would like to make is that the preliminary draft of the steel report is done. I read that last night.

Mr. WHITTINGTON. You had a large job.

Mr. SYMINGTON. Yes, sir. The aluminum report is going to be concluded this week. So we expect both of those reports to be in your hands by the end of the week. And they are the two the people are most interested in.

Mr. WHITTINGTON. Well, speaking of reports, the civilian population of the United States has been most patient. And they have been denied pots and pans, and aluminum, just to mention a few items, the housewife has been deprived of. And under the stock-piling provisions of this act, there was made available to the civilian population of the country some of those metals for a period of 6 months.

Would you care to make a statement as to the compliance with those provisions, in that report? Did you make any report to Congress, or was anything said by the Board as to what property had been disposed of—copper and aluminum particularly—under the terms of the stock-piling provisions of the act? —

Mr. SYMINGTON. No, sir. I do not know much about that provision.

Mr. WHITTINGTON. You will recall under the act they were made available to the civilian population?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. With all due deference, I think that Congress and the country are entitled to know. We were advised in our hearings of the enormous surpluses of aluminum, and the enormous surpluses of copper, and we are entitled to know why the civilian population of the country has not had an opportunity to buy, as we stipulated in this act, within 6 months, at least a part of their needs. And when we come to hearings on amendments to the bill, I believe, for whatever that statement is worth, we are entitled to such information.

Now, as you are aware, there are many bills pending in Congress for amendments to substantive provisions of the Surplus Property Act. And I think the committee has taken the sound attitude and sound stand that when we amend the act, it ought not be by piecemeal, and that we are entitled to the recommendations of the agency entrusted with the administration of that act.

But as I have indicated, it has been delayed, and we have just had piecemeal recommendations. We have had piecemeal consideration of legislation, without even your Board being heard by the committees of the House of Representatives. And it would absolutely nullify and destroy fundamental, essential concepts, as well as provisions of the act, if that piecemeal legislation had been finally passed and had been adopted by other departments of the Government in asking that they be permitted to retain substantially their war surpluses.

Now in a word, and to summarize, Congress—and I speak as a Member of Congress—did not provide for the disposal of surplus war property, and the first provision was made whenever we said that the disposal should be made by the Executive order of the President. And that order was dated in the spring of 1944, and the President promptly recommended the establishment of a permanent administrative agency.

Now with respect to plants, in the construction of these plants and in their operations, as I recall, there were options. Maybe the options have expired. As I recall, the only substantial plants valued at many millions of dollars, up in the neighborhood of \$30,000,000, as I recall—I think I am substantially correct—were disposed of by the Administrator under the Executive order, and they were steel plants. Is that substantially the only plants that have been disposed of or were disposed of under the Administrator Executive order?

Mr. SYMINGTON. There were a group of about five plants disposed of to the Bethlehem Steel Corp., for \$19,000,000.

Mr. WHITTINGTON. That is right—substantially the option value?

Mr. SYMINGTON. Yes, sir. And then there were about five more plants that have been disposed of. The total was around about \$24,000,000. And then there were a few more, so that your \$30,000,000 figure, I would say, would be very close. It is changing every day. We are seeing a little action now in plant sales.

Mr. WHITTINGTON. Yes. Now I am wondering if you have made any study, if you have had any opportunity, or if you have matured your conclusions. And frankly, I want to congratulate you upon the judgment and the discretion with which you are operating this surplus act thus far. We will be asked again and again as to the disposal of these plants. Is there anything you care to say about that incidentally in connection with the proposal under consideration, and have you matured any recommendations? I agree with you that there are restrictions in the existing law which should be removed, but good and efficient administration under proper regulations will promote the needed and prompt disposal of surplus property. The intent of Congress and proper disposal can be effectuated by efficient administration. The problem is largely administrative.

Mr. SYMINGTON. Well, the three major problems that there were in plant disposal might be considered the price angle, and the question of whether the disposal was a monopoly, and the question of whether the machinery in the plant would or would not affect small business by sale.

It seemed to us, sir, those were the most important. The policies of the Reconstruction Finance Corporation in recent weeks have been very constructive toward the furtherance of sale. And they have a major plan, a sales program, you might say, to move these plants

wherever possible. The Department of Justice have also assured us that they are getting into the question of whether or not the plants can be sold, from the standpoint of their position under the act. And now that we have so much machinery declared surplus, the objections from the standpoint of the small businessmen, we think, are pretty much theoretical as against what they might well have been a month ago.

Mr. WHITTINGTON. I would like to ask you generally, has there been any declaration of surplus land, Army installations, particularly, because as you say, the Navy has not begun to declare surpluses.

Mr. SYMINGTON. It has begun.

Mr. WHITTINGTON. That was one of the major matters of contention. Mr. Bender and the other members of the conference committee will recall that we had a great deal of trouble with that. Has there been disposal of land?

Mr. SYMINGTON. Yes, there has been some.

Mr. WHITTINGTON. The act has been complied with?

Mr. SYMINGTON. We have been working on that, the administrative aspect of the act is that classification problem.

Mr. WHITTINGTON. Just a word, finally. Your proposal and your recommendation, concurred in by the members of your Board, is that there be created a single Administrator; with the Administrator, that all of the rules and regulations adopted by your Board will remain in full force and effect until superseded by your regulations, and that the employees will be transferred from the Administration generally to you, with power to you as single Administrator, pending the amendments to the substantive act, to make any other or supplemental recommendations, or additional regulations. That, in a word, is the substance of this proposal you are recommending to us?

Mr. SYMINGTON. Well, of course, I do not know whether I would be nominated or confirmed as the single Administrator, but whoever is the single Administrator, that is the way it is.

Mr. WHITTINGTON. But whether you are or not, that is the proposal you recommend?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. Because, without transferring functions and without transferring personnel and without continuing the regulations, and without giving you power to provide new regulations, it would not get us anywhere?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. And that is the substance of the matter we have under consideration?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. And I personally favor that proposal. But I do at the same time urge that in the event you are appointed as the successor of the chairman of the Board, which I hope will be the case, that immediately there be submitted recommendations, so that this committee and the Congress may go into the matter of amending some of the provisions of the act that should be amended. That is all.

Mr. HOFFMAN. Is not what Mr. Whittington said last, this final summary, H. R. 3851?

Mr. WHITTINGTON. Yes; as amended by the committee substitute.

Mr. HOFFMAN. Do you know of anyone on the committee opposed to it?

Mr. WHITTINGTON. No; I do not.

Mr. RICH. In reference to these reports you ask to be inserted in the record, would it not be sufficient to refer to certain reports, rather than have them embodied in the record? Would not that be sufficient, without printing those voluminous reports? Save unnecessary printing.

Mr. WHITTINGTON. In deference to the suggestions of Mr. Rich and Mr. Cochran, I am going to ask the chairman, instead of inserting those quarterly reports, to identify them and give their dates, because they will be available. As a matter of fact, I have a copy of the first one here, and I am sure you will furnish a copy of the second one as well as the third one.

Mr. JUDD. Mr. Symington, you said that yesterday your Board approved disposal of \$500,000,000 of surplus property. I assume it is consumer goods.

Mr. SYMINGTON. Yes, sir.

Mr. JUDD. And most of that will be disposed of through the Department of Commerce?

Mr. SYMINGTON. Yes, sir.

Mr. JUDD. Well, for our information, about how long do you estimate it will be before the bulk of that material appears on the shelves so that people can buy it, as your program is operating?

Mr. SYMINGTON. Congressman, that is a rather hard question to answer. The way it came up in the meeting of the Board was, how we could expedite it from the standpoint of priority problems.

Mr. JUDD. In the first place, it has to go through a 30-day period of priority?

Mr. SYMINGTON. We do not believe this will. We think we can change our regulations and expedite it.

Mr. JUDD. After it gets through the priority period, whatever date it is, what further delay will there be?

Mr. SYMINGTON. There should not be much delay.

Mr. JUDD. That is the thing people want to know, when and where will we get it.

Mr. SYMINGTON. I think within 60 days.

Mr. JUDD. That material will be available then?

Mr. SYMINGTON. No question about that. We expect to sell—well, there is some betting going on about that—the low figure is two hundred millions we hope to sell in September. That would be a great deal more than Commerce has sold, I think, to date.

Mr. JUDD. Do you know about how much has been disposed of altogether?

Mr. SYMINGTON. I do not know that figure right now. I have it, but I do not have it with me.

Mr. JUDD. May I ask this question, not trying to anticipate what your views may be in 30 or 60 days, when you want to make recommendations regarding substantive changes. Have you any statement you would like to make offhand now as to whether you think there would be more or less benefit to the country and to the people as a whole through getting rapid disposal of this surplus property, even if some of the preferences and priorities were bypassed, than there would be through making sure that other agencies of the Federal Government, and States, and municipalities, and the veterans and the charitable and educational institutions, and so forth,

will get first chance at it? Do you think there might be more benefit on the whole through getting it disposed of before new products get on the market with which it would compete?

Mr. SYMINGTON. Let me answer it this way: Until VJ-day, there was such a limited amount of surplus it was difficult to guess what the Federal or State governments might want. Now, with such a great amount of surplus, recognizing how important it is to get it out as soon as possible, so the people can have it and so it will not compete with the new civilian economy, we are making reservations in percentages of these various articles, figuring that in doing that we can conform to priority directions of the Congress, and then go ahead and sell the rest as soon as we can.

Mr. JUDD. Do you think it might greatly improve the act if a lot of these priorities and preferences were eliminated entirely?

Mr. SYMINGTON. I would rather not comment on the details, if we can get along with these provisions under some constructive legal interpretation. If we can get along and skin the cat in some other way, we presume that is satisfactory to you, as long as we skin it.

Mr. JUDD. Very satisfactory. Personally, I feel that the benefits to be gained from these so-called social and economic objectives are outweighed by the benefits of rapid disposal. That is, I think the first social and economic objective should be to get it sold while there is a great market for it and before it would compete with new production and thereby reduce employment.

Mr. SYMINGTON. We agree with that.

Mr. JUDD. I have no other questions now.

The CHAIRMAN. Mr. Mansfield?

Mr. MANSFIELD. I have no questions.

The CHAIRMAN. Mr. O'Toole has a question.

Mr. O'TOOLE. Mr. Symington, one of the paramount problems in this country today is the readjustment of the veterans. I believe more people are interested in that than any other problem. The city of New York has a great volume of surplus property to be disposed of. A great many veterans are anxious to start in business for themselves, and it is essential for them to get motor vehicles. There are over 4,000 applications on the part of veterans to buy Government automobiles in the city of New York.

Last week 500 automobiles were disposed of by some of the surplus property groups. Not one of those trucks went to a veteran. Have you any recommendation to make that would make it easier, or would make the law more pliable? So that the veteran might be given his chance to obtain these vehicles?

Mr. SYMINGTON. Well, Congressman, up until recently there has been a great shortage of motor vehicles. We know that, sir, because we have had this problem of allocating trucks to agriculture.

Mr. O'TOOLE. I am not saying it by way of criticism.

Mr. SYMINGTON. I am just trying to present it to you. The second point is, a regulation which we passed limiting the veterans to \$2,500 in preference. We think that is wrong. We plan to repeal that and make the figure either limitless or a higher limit. Presumably, it would have to be a higher limit.

Just thinking aloud on it now, the only aspect that worries us is, we are anxious to have these vehicles go through dealers, and the veterans would have to go to the dealers to get their trucks. Otherwise,

you see, the Government may find itself in a position where it had sold automobiles or trucks that were in bad shape, much worse than a fellow would think it was if he bought it direct. But we can do a lot of work on that. We are not satisfied with the veterans' regulation. It has been before the Board this week. We want more time to study the situation and talk with people about it and to get opinions like you give, before we make the changes, because we would like to make them all at one time.

Mr. RICH. We have, as I understand it, about 10 agencies of the Government now disposing of this surplus property. Would it be your recommendation, if you were appointed head of this surplus property disposal, to continue the agencies that now have the authority to make this disposal, or in other words, do you not believe that you could aid and assist the general public by getting this on the market faster and at a better price to the Government, if you were to consolidate these agencies in the disposition of this property?

Mr. SYMINGTON. Well, I think there are only eight disposal agencies, if you say A. N. L. C. abroad is the ninth. But our problem today is people and outlets. That is so in any merchandising problem, the more stores you have, the more goods you will sell; the more people you have trying to sell those goods, the more goods you will sell.

If it had been 2 years ago, when we could have sat down and planned and streamlined and centralized the disposal problem, it would have been one thing. But today it is all here, billions and billions of dollars of it, and the more people we have trying to sell it, and the more offices we have throughout the country where it can be discussed, discussed incident to sale, the more merchandise we will sell quickly.

As to whether or not we should streamline all that, that is a matter that from an operating standpoint we have been studying and will be prepared to present to the new Administrator. But it would not be my thought that we ought to eliminate agencies, if in the elimination of agencies at the same time we eliminate our people tomorrow who are working on surplus property today.

Mr. RICH. The only thought I have is, in certain cities you have probably five or six of these agencies in one city, in other communities you have none. And another difficulty is in trying to locate the merchandise which you are interested in. One city may have it and the other may not, whereas if you consolidate your agencies you would be able to get them the information immediately on request.

Mr. SYMINGTON. Well, if we consolidated all those, just thinking aloud, we might accomplish the same thing without taking people off the job.

Mr. RICH. Well, that is the point I want to make. If you can do that, that would be a fine thing, because there is where we are lagging now in getting this merchandise to the public at the earliest possible moment.

Mr. SYMINGTON. Yes, sir.

Mr. RICH. Now, one other question, and that is in reference to declaring property surplus by the Army or Navy. If you had charge of this Administration, and you find out that they are going to declare property surplus that within 3 or 4 or 5 months they will come back and want to reorder, we have to be very careful from the fact that the Army and Navy will throw these things on the market and then want to repurchase. It has been the case in other agencies

of the Government, and now it could easily happen here, and I think you would have to be very careful in watching that.

Mr. SYMINGTON. Yes, sir.

Mr. RICH. It seems to me, from the statements made a while ago, that you have \$2,469,000,000 of surplus property.

Mr. SYMINGTON. That was as of June 30, as I remember.

Mr. RICH. Yes; June 30. And that a billion seven hundred million of that is airplanes, only leaving \$743,000,000 of other property for sale. Now, do you figure that you are going to put on the market declared surplus in a much greater amount than the seven hundred and forty-three millions?

Mr. SYMINGTON. Well, we had five hundred millions last week.

Mr. RICH. Well, then, that has been increased over and above the figures you gave this morning?

Mr. SYMINGTON. Those figures were as of last June 30, sir. There are billions of dollars, or hundreds of millions of dollars of consumer goods, declared surplus since the 1st of August.

Mr. RICH. Well, then, if you were to be set up, and I presume you will be, and I hope you will be, because I am very much impressed with the hearing this morning, you have in your agency now, you wish to establish an agency large enough to employ 403 people?

Mr. SYMINGTON. Yes, sir.

Mr. RICH. Why is it going to be necessary for you to have that many employees when your sole objective is to establish the policies for these various nine agencies now in the disposal of this surplus property?

Mr. SYMINGTON. That is a very good question, sir. But here is some of that problem. First, we do have two administrative characteristics to the act. The first is that we have to classify all real estate, and that in itself is a pretty large dish. And the second is that under the appropriations act, not in this act, but in another act, we are responsible for the money that is spent in disposal by all the disposal agencies, and naturally we are doing the best we can to see that the money is handled the way you would like to have it handled—those two.

Mr. WHITTINGTON. I want to hear that last statement about other appropriations. I did not hear you.

Mr. SYMINGTON. Under another act, sir, we are responsible for all the money that is spent for disposal by the disposal agencies. That is, we have to approve to the Bureau of the Budget the money that they spend, and that is a great deal of money, sir. It may run into hundreds of millions of dollars.

Mr. JUDD. That they spend in merchandising?

Mr. SYMINGTON. Exactly, sir.

Mr. RICH. That is very essential. I can see, if you are responsible for that part of the act, then you would require a greater number of employees than I thought you would under the statements made previously.

Mr. SYMINGTON. Yes, sir.

Mr. RICH. My thought is this, the same as expressed a few moments ago, that the quicker you can put this on the market to the American people, the better off this country will be and the better off the American people will be. And I hope you will use every effort to that end, with the least time lost and delay that is possible.

Mr. SYMINGTON. Thank you, sir.

Mr. WHITTINGTON. If Mr. Rich has concluded, and will yield, I want to ask one question before we take a recess. As indicated by Mr. Hoffman, Mr. Symington, we have H. R. 3851, introduced on July 19, 1945. I would like to ask for the record if you and the general counsel, Mr. Hugh Cox, former Assistant Solicitor General of the United States, have examined this bill, and whether or not you and Mr. Cox are prepared to say that the bill as introduced will effectuate the recommendations you have submitted to the committee, and if you have any amendments or modifications or clarifications, we would like for you to submit them when we return this afternoon.

Mr. SYMINGTON. We will do that.

Mr. COCHRAN. Mr. Chairman, in that connection, I would suggest that Mr. Cox get in touch with Mr. Beman, sitting over here, the chief legislative counsel, and work out the proposal that would carry out the recommendations of the President, and Mr. Symington.

Mr. WHITTINGTON. Of course I concur in that, because Mr. Beman will advise us.

Mr. COCHRAN. He will be our legislative counsel.

Mr. RANDOLPH. Mr. Chairman, I would like to ask the witness if he or the staff that works with him has made an effort—

Mr. COCHRAN. Would you yield for a second? Mr. Manasco, I am proposing a motion to go into executive session. We are going to recess in a few minutes. I want to make a motion in executive session with reference to our procedure.

Mr. RANDOLPH. Mr. Chairman, I return to the question by inquiring if you or your associates working with you on this problem have come to any conclusions as to possible percentage returns of the over-all cost to the Federal Government which we will realize upon the sale of this property?

Mr. SYMINGTON. You mean how much we will get back from its sale as against its cost, sir?

Mr. RANDOLPH. Percentagewise.

Mr. SYMINGTON. Percentagewise I think that is going to be a surprisingly low figure, primarily due to the lack of recovery in the airplane field. And we have very little to do with ships, but I have heard that 24 cents of every dollar went to aviation, and about that went into the naval construction. And these airplanes, we will collect so little, except scrap value, that the figure is going to be a surprisingly low figure. We have difficulty getting people to recognize that problem.

Mr. RANDOLPH. Would you say within approximately 10 percent might be a fair figure, if we have a hundred billion, roughly, we might realize ten billion?

Mr. WHITTINGTON. With deference, and without meaning to interrupt, I suggest you take your time in answering that question.

Mr. SYMINGTON. I would say the hundred billion figure is very high. I do not believe there is that much surplus. As to what percentage of that we will collect, maybe if you give me until we get back; if you want us back, we can give that to you.

Mr. RANDOLPH. What was the percentage after World War I?

Mr. SYMINGTON. That I would not know.

Mr. RANDOLPH. I think that information would be helpful.

Mr. SYMINGTON. Yes, sir.

Mr. RANDOLPH. The picture is not the same because of the airplane situation?

Mr. SYMINGTON. Yes, it's a different type war we wage now.

Mr. RANDOLPH. One question, and then I am through. How much aircraft will we have, approximately, for sale?

Mr. SYMINGTON. In numbers of planes?

Mr. RANDOLPH. No, in over-all cost.

Mr. SYMINGTON. Oh, I would not know those yet, sir.

Mr. RANDOLPH. No estimates have been given to you by the Army or the Navy?

Mr. SYMINGTON. We have not the estimates. They are working on what planes they should or should not declare surplus. And then the question comes up, Mr. Randolph, what planes to leave abroad and what planes to bring back. There is not much use in bringing back an obsolete airplane. It costs a lot to bring it back, unless you want to bring some troops back, and that would be especially true of planes that could not make the hop.

The CHAIRMAN. The committee will stand in recess until 2:30. We want to go into executive session.

(Thereupon, at 12 noon, a recess was taken until 2:30 p. m. of the same day.)

SURPLUS PROPERTY BOARD,
Washington 25, D. C., August 31, 1945.

Hon. CARTER MANASCO,

*Chairman, Committee on Expenditures in Executive Departments,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: At the hearing held before your committee on August 28, 1945, Congressman Randolph of West Virginia asked for information about the relationship between the price received for surplus property and the original cost of the property.

Between June 1, 1944, and June 30, 1945, surplus property has been sold that cost the Government \$410,947,000. The price received for this property was \$217,399,000. In other words, we have recovered 52.7 percent of the original cost.

I think that I should say that this figure cannot be regarded as indicative of the return that we will get from the sale of all property that is declared surplus in the future. Without attempting to make any prediction, I should suppose that the percentage of return will be much lower from now on. This will be particularly true because of the increasing quantities of unsalable combat material that will be declared surplus.

The best information that I can get indicates that from the sales of surplus property made after the First World War the United States recovered approximately 37 percent of its original cost.

Sincerely yours,

W. STUART SYMINGTON,
Chairman.

AFTER RECESS

The committee met subject to adjournment at 2:30 p. m., Hon. Carter Manasco presiding.

The CHAIRMAN. When we adjourned our colleague, Mr. Randolph, of West Virginia, was interrogating the witness and he may resume his interrogation.

STATEMENT OF W. STUART SYMINGTON, CHAIRMAN, SURPLUS PROPERTY BOARD—Resumed

Mr. RANDOLPH. Mr. Chairman, when the committee recessed at noon, I had not concluded my interrogation of Mr. Symington and I

desire to carry forward a point I was addressing to him for his observation. He has a very keen interest in the aviation industry both as a pilot and an individual who has a responsibility in connection here with the disposal of aircraft, and possibly, likewise, with the disposal of plants by the manufacturers of aircraft, and probably the airports which will be declared surplus by the Army and Navy.

Mr. SYMINGTON, what is your estimate, if you can give me an estimate, of the number of planes that we have in the way of surplus aircraft that will be put on the market? If you cannot give me the number, can you give me the approximate amount in dollars.

Mr. SYMINGTON. You mean aircraft that might be salable?

Mr. RANDOLPH. Yes, sir.

Mr. SYMINGTON. Well, I could not answer that question in the future, but I could answer it from the standpoint of salable aircraft up to a fairly recent date, say, as of around the 30th of June.

Mr. RANDOLPH. That would be helpful.

Mr. SYMINGTON. Up to that time they had around 15,000 airplanes which they felt were salable, and the value of those airplanes was around \$275,000,000. Of course, they were primarily small airplanes like trainers, etc., of which they had sold around 7,000, which was about \$70,000,000 of the \$275,000,000; in other words, practically all of the smaller planes were sold first, and of that \$70,000,000 in original costs they recovered the amount of \$14,000,000.

Mr. RANDOLPH. I think that is a high rate of recovery cost.

Mr. SYMINGTON. I thought that was fine.

Mr. RANDOLPH. And the sales will perhaps taper off because the larger aircraft remain to be marketed.

Mr. SYMINGTON. Yes, sir; that is quite true, but they have a few planes, for example, the Lockheed Lodestar, of which I think the price is about \$50,000, and if they put a plane like the C-54 on the market, that will be immediately gobbled up, but the more expensive combat planes practically will have no market.

Mr. RANDOLPH. Do you feel that the plan for sale of aircraft is about as good as we can devise through the RFC?

Mr. SYMINGTON. I think there could be improvement upon it.

Mr. RANDOLPH. Do you think there should be more sales centers?

Mr. SYMINGTON. I am speaking only for myself and not for the rest of the board. I think that they could utilize dealers and distributors more.

Mr. RANDOLPH. Notwithstanding contention of the men in active control and the operators and others that we have roughly 30 to 35 sales centers throughout the country, if these planes could be put in the hands of the local airport operators, flight operators, fixed base operators, they could get them in the hands of the public. The public will not go a long distance to seek a certain type of plane.

Mr. SYMINGTON. Yes, sir.

Mr. RANDOLPH. But if there were more of those sales centers for the purpose of additional airports, the sales could be stepped up materially, and I am glad the viewpoint expressed by the active men in the field of aviation is yours.

That is all I had to ask.

The CHAIRMAN. Mr. Henry, have you any questions?

Mr. HENRY. Yes, sir, Mr. Chairman.

Mr. Symington, there is one problem which has concerned me considerably. As I understand, under the present law, the various agencies declare that they have commodity surplus and then your agency defines the method of disposal of that surplus?

Mr. SYMINGTON. Yes, sir.

Mr. HENRY. Now, you may feel that an agency which is declaring property surplus is not declaring it fast enough. You may be convinced of that fact and the only recourse that you have is to refer it to the Congress and that the Congress is supposed to act. The difficulty there, as I see it, is that there would be one agency of the Federal Government complaining about another agency. Now, human nature just does not function that way.

Now, don't you think one Government agency would hesitate in finding fault with the way another agency was functioning? In other words, I will ask you this:

Have you any definite plans as to how to proceed in the case of some Government agency that is negligent in declaring surplus property?

Mr. SYMINGTON. Right now we are pretty well swamped with what they are declaring. As soon as that period is over it will be to our interest to sit down with them and analyze their inventory under our duties, under the act, and we would not hesitate a minute if we did not agree with them in reporting the fact to you.

Mr. HENRY. I recall that immediately following the last war there were immense quantities of surplus property stored in warehouses, paying rent, and those articles were there for a long, long time and depreciated in value, and no apparent effort was made to dispose of them, and I for one feel that the immediate disposal of the articles would be the practical course. What I was worried about was that one agency would have to find fault with the way another agency was functioning. Ordinarily that is not done. I wondered if you had any experts who go out and investigate and find out whether these agencies are declaring their property surplus fast enough.

Mr. SYMINGTON. No. We have a compliance division with respect to the operations of the disposal agencies. But the act was so definite in its notification to us and to everybody from the standpoint of surplus property that until VJ-day that in a sense it was not over yet and that we did not feel that it was our prerogative to get too nosy about what the Army and the Navy were declaring. As you stated, it is very important that as soon as we get caught up with the big push of the last few days why we will work with the Army and the Navy. They have been very cooperative. However, if we did not agree with them, we would report it to you.

Mr. HENRY. Have not the RFC and the Maritime Commission been selling over the desk, over the counter, in Washington, on the first come, first served, basis?

Mr. SYMINGTON. Do you mean by that, without respect to priority, sir?

Mr. HENRY. Yes.

Mr. SYMINGTON. I would not know that. They should not be doing it if they are.

Mr. HENRY. There have been rumors to the effect that they are doing that very thing. It has also been rumored that the RFC has removed 95 percent of its tools from surplus and placed them in their account of property to be made salable to the public.

Mr. SYMINGTON. What case was that?

Mr. HENRY. I am asking you. I do not know.

Mr. SYMINGTON. I would have to know more about it to answer.

Mr. WHITTINGTON. Would you repeat that question?

Mr. HENRY. Did not the RFC remove 95 percent or more of its tools from the category of surplus and place them in an account as owned property, removing it from sale to the public?

Mr. SYMINGTON. My answer to that would be that they did not.

Mr. JUDD. What would have been the idea back of that—to avoid competition with the machine-tool industry?

Mr. HENRY. What I was afraid of was the effect that would have on small industry; that it might be to the benefit of big industry.

Mr. WHITTINGTON. As I understand, under the law, if that property were declared as surplus it would have to be turned over to the RFC and nobody but Congress would have a right to take it away from the RFC except some agency of the Government might ask for priority on it, and then it would be by appropriation by Congress.

Mr. HENRY. Could not the RFC itself remove certain articles from the category of surplus?

Mr. WHITTINGTON. I do not think so. Once declared surplus, they are surplus.

Mr. SYMINGTON. I think what somebody has been talking about is regulation 6. It was passed as an effort to sell Government-owned machinery in the contractors' plants. In that regulation they had a list of machinery that should not be sold because they were in short supply, and as a result of that there had been considerable discussion as to whether or not small business was or was not protected. That came up in Senator Stewart's committee, but there would be no reason or point, as I see it, for the RFC to pull back. They are a disposing agency and there would be no reason for them to pull back machinery into their own account.

Mr. JUDD. Unless the RFC bought some itself for its other activities.

Mr. SYMINGTON. That is right.

Mr. JUDD. It would be buying from itself as a disposal agency.

Mr. SYMINGTON. If it was an owning agency, Mr. Judd, it would be allowed to transfer; if it was an owning agency it could declare surplus goods and the disposal agency could withdraw them and become an owning agency on its account.

Mr. JUDD. That is right.

Mr. SYMINGTON. But we do not know of a case of that kind; at least, I do not know of any.

Mr. HENRY. Has any policy been established which would provide for the disposal of surplus property through exporting it?

Mr. SYMINGTON. I do not quite understand that, sir.

Mr. HENRY. Well, has there been any policy established that you know of which would help dispose of large quantities of surplus material that we have through exportation?

Mr. SYMINGTON. The FEA for itself and for UNRRA abroad operates and holds priorities on the materials which we have abroad. And the act reads with respect to certain agricultural commodities, but I know of no plan to move anything out of here at this time and send it abroad.

Mr. HENRY. What I had in mind is that many foreign countries have large balances in this country and need to buy commodities,

and I wondered if that would not be a way to get rid of a lot of these surpluses.

Mr. SYMINGTON. Of course the other side is that we have a lot of material abroad that we want to sell.

Mr. ERVIN. The answer to that question is that they want us to give it to them and not pay for it.

Mr. GOSSETT. I have had a number of administrative items come to my attention. Last Friday I had a meeting with the automobile dealers and the dealers of automotive equipment down in Wichita Falls, Tex. They came to me and I did not go to them. They had a complaint which they voiced that there were surplus-property sales held and they had come 200 or 300 miles distance. They said they were asked to draw numbers and if a man's number was called he was permitted to buy one truck or one machine or some automotive supplies, maybe just a few dollars worth of parts, and they said it was not worth while. Their complaint was that if the dealers were going to handle the surpluses that they ought to be permitted to buy in a sufficient quantity that would justify their going to sales and transporting the equipment because obviously an automobile dealer cannot travel 300 miles on the outside chance of buying one vehicle, and I just wondered if that has been studied as an administrative problem by the Board.

Mr. SYMINGTON. No, sir; the question would be one of whether all the people there had a fair chance to buy. I would like to look into that matter.

Mr. GOSSETT. Here were some 15 or 20 responsible businessmen who said these sales were not properly handled and they would rather take a chance on larger lots rather than on one truck.

Mr. SYMINGTON. If they won an allotment in a draw, they ought to be allowed to draw more.

Mr. GOSSETT. Yes, sir.

Mr. SYMINGTON. I will look into it.

Mr. GOSSETT. They had another complaint: Unfortunately the Army sergeant or officer in charge of supplies would usually take the supply catalog and would select 3 dozen or some number of an article whether they needed it or not, and buy across the board, and they had a lot of the parts which were not usable and they would put some of the unusable parts with the good parts and you had to buy all of it or none of it. That may be all right, but those men were objecting to it. They called those tie-in sales.

Mr. SYMINGTON. What is that?

Mr. GOSSETT. They were tie-in articles. You could not get a usable article without an unusable article. There is a question which may come up and we may have the cart before the horse and we may add it when we rewrite the bill as to whether or not we should try to limit either the profit or the selling price of property. A complaint arises where somebody goes over and buys a great lot of shoes at say 15 cents a pair although they cost the Government \$3 a pair, and then goes into a local market and offers those shoes for sale at a price which depresses the local market. Some think that must be handled by the Surplus Property Board through either fixing the minimum at which it may be sold or the maximum profit at which the retail sale may be made. Have you folks arrived at any conclusion as to the selling of such property?

Mr. SYMINGTON. Yes, sir; it has been a matter of interest to me personally. I hoped that we could allow a relatively large net profit as against the average wholesaler or retailer's profit, say 15 percent, and I have asked Mr. Cox what he thought about it. He says you will run into difficulty due to its involving a control of the retail selling price.

Mr. WHITTINGTON. If my colleague will permit my interrupting him at this point, it has been brought to my attention that the Price Administration has been fixing resale prices very generally and that question has not directly arisen in the Surplus Property Administration because of, due to that fact. I have one constituent who bought 3,000 small articles and he has been called upon to refund \$1 on each article sold for \$3. The Price Administration is fixing the resale price right along now.

Mr. GOSSETT. There are a lot of other things which have given me some concern. In this act we passed we wrote in there that nothing should be destroyed until a bona fide attempt had been made to sell and a bona fide attempt made to give away, and then a 30-day notice of destruction. I wonder if that is being complied with, or do you know? I have heard of some of these Army camps burning up scrap lumber that farmers in the community would have liked to have.

Mr. SYMINGTON. I do not know of any such case. We had a case where an Army camp was supposed to be wrecking buildings, but we found upon investigation they were taking the boards down in order to use them somewhere else.

Mr. GOSSETT. Has the old CCC property been turned over to you for disposal?

Mr. SYMINGTON. I am afraid I do not know the alphabetic currency.

Mr. GOSSETT. I am referring to the Civilian Conservation Corps. We discontinued the Civilian Conservation Corps camps.

Mr. SYMINGTON. I would not know it.

Mr. COCHRAN. The law provided that it should be liquidated.

Mr. GOSSETT. It has not been.

Mr. COCHRAN. It has been turned over to the communities in part.

Mr. GOSSETT. I was in Alaska and I was there at one time when they had a very nice CCC camp, all of the buildings right on the edge of the town, with sewage, showers, and water supply and they were just lying there and there was no one to order them to be put to use.

Mr. COCHRAN. The Civilian Conservation Corps was not a war agency in any way. It went out of existence when the war began.

Mr. GOSSETT. Somebody should be taking care of the disposal of that equipment.

Mr. COCHRAN. The Procurement Division of the Treasury is in charge of the liquidation.

Mr. GOSSETT. Does your agency have charge of the disposal of Army hospitals and Army camps?

Mr. SYMINGTON. Yes, sir.

Mr. GOSSETT. I have just returned from a trip to Alaska and we learned that there they had a tremendous health problem. They have practically no hospitals. There is an Army general hospital at Fort Richardson, out of Anchorage; and there is a Government hospital at Fairbanks, and the local people were worried for fear that those hos-

pitals would be dismantled and moved out and the local communities and the Territorial government were anxious to get those hospitals. Will they have to go through you to get that material?

Mr. SYMINGTON. To be frank with you, I am not sure whether that comes under the Department of the Interior or not.

Mr. GOSSETT. Could the Army move those off without saying anything to you about it?

Mr. SYMINGTON. If they declare them as surplus we will have them for disposal.

Mr. GOSSETT. The hospital problem is arising all over the country.

Mr. SYMINGTON. Yes, sir.

Mr. COCHRAN. That is our own fault. We authorized the Veterans' Administration to construct hospitals all over the United States and we did not give them a dime. They had plans and specifications to build but we did not give them a dime when we authorized it. I know as a fact that the Bureau of the Budget has had the plans and specifications from the Veterans' Administration for new construction in present facilities and the Veterans' Administration has not had 5 cents to go ahead and construct them, because all we did in the GI bill was to give them the authorization. There is upward of \$700,000,000 I think needed to go ahead and build additional hospitals and enlarge the present ones.

Mr. WHITTINGTON. If my colleague will allow me to speak in regard to the hospitals, you brought up a very pertinent matter in my judgment in regard to Army hospitals. In the GI bill the Government has authorized the construction of veterans' hospitals but it did more than that. There is a provision in the GI bill which, in my opinion, violates the fundamental principle in the disposal of surplus property in that the bill provides that Army hospitals such as you speak of may be turned over to the Veterans' Administration without any compensation or any credit being allowed therefor against the funds authorized to be appropriated. So these Army hospitals now cannot be used for Veterans' Administration hospitals, but under the GI bill, when declared surplus they may be. Now, with respect to the CCC and the NYA millions and millions of dollars' worth of property were disposed of—given away, if you please, and without any other profits being covered into the Federal Treasury. That was one of the arguments that was utilized by this committee in passing the surplus-property bill—not a war surplus-property bill, but we passed in June 1943 a surplus-property bill that would have saved—that would have resulted in the Treasury receiving millions of dollars in the disposition of the tools of the CCC and shops and other equipment of the NYA on which we spent \$200,000,000 and that material as you properly indicated has probably been given without that Department being charged for its value.

Mr. COCHRAN. That is one of the plans we stood out for and we won it.

Mr. WHITTINGTON. That is right.

Mr. RICH. If these things are correct, this administration should investigate the former administration that permitted those things to happen and I am amazed that we sit here and do not go ahead after it. It is wrong that the taxpayers must support a thing of that kind.

Mr. WHITTINGTON. That happened while you were away from here.

Mr. COCHRAN. And you are familiar with what the Appropriation Committee is responsible for.

Mr. WHITTINGTON. With respect to burning up waste by Army camps and so forth. I do not know what has happened in other cases, but I will say in the past 6 weeks in one instance in a city fairly close to an Army camp where they formerly burned up short pieces of lumber and things of that sort, I saw a city block of lumber that had been sold to a man who will use it to build cotton houses, so that they are not burning it down in my country.

Mr. GOSSETT. This does not come under your jurisdiction, but I am concerned about hospitals. I referred to Fort Richardson, Alaska, because they must have hospitals up there, and it would be a shame to move all that equipment back here and then sell it to a junk dealer, when the whole hospital should be sold intact with all equipment and they are ready to take it over, and I assume the possibility of such a proposal should be considered before it is sold as junk.

Mr. JUDD. Will the gentleman yield for a comment?

I cannot let the gentleman from Missouri's statement about the Veterans' Administration stand without some comment. It is true that we authorized the appropriation of several hundred millions of dollars for hospitals, but in March and April when we actually appropriated seventy or eighty million dollars, as I recall, some of us said we were going to need more hospitals for the veterans. At that time General Hines said that Congress has never failed to give the Veterans' Administration whatever it asked for. I cannot see that the present need was the fault of Congress, when we appropriated all the money for hospitals that the Veterans' Administration asked for.

Mr. COCHRAN. The Veterans' Administration made a mistake in not coming down and asking for more appropriations.

Mr. JUDD. Some of us went down and talked the matter over with General Hines and told him that he had a bigger problem than in the last war. However, Congress gave him every dime he asked.

Mr. COCHRAN. The Army today has thousands upon thousands of men who are ready to be turned over to the Veterans' Administration, but they cannot discharge them because the Veterans' Administration has no place to put them and they still must be hospitalized by the Army although they have received the maximum treatment by the Army; and that applies to the Navy.

Mr. JUDD. We tried to correct it but did not succeed.

Mr. ERVIN. The Army cannot discharge them until they are physically able to be discharged, but when they are discharged they will be turned over to the Veterans' Administration.

Mr. COCHRAN. And the Veterans' Administration has no place to put them.

Mr. ERVIN. And I think that is why the President appointed a new head for the Veterans' Administration.

The CHAIRMAN. Have you any questions?

Mr. ERVIN. No; that is all.

Mr. RICH. I would like to ask a question, Mr. Chairman.

The CHAIRMAN. Mr. Rich.

Mr. RICH. Will this administration, or you as chairman, have the sale of the Federal housing project? Will that come under your jurisdiction?

Mr. SYMINGTON. If they are declared surplus; yes, sir.

The CHAIRMAN. Mr. Rich, let me correct you. I think, under the Lanham Act, the Federal Housing Authority has authority to dispose of its interests.

Mr. RICH. I wonder, Mr. Symington, if you would have supervision the same as you have over things that are declared surplus by the Army and the Navy. In other words, I wonder whether housing would come under your surplus board. I am asking particularly in regard to Friendship Heights which will probably be sold. I understand that some people are feeling that probably will be sold in one big lot and unless something is done a few fellows are going to put in a few million dollars and pick up \$30,000,000 of property. In regard to that I am wondering if we are going to get full value of the property when the time comes to put it on the market. I do not want two or three fellows who can get their heads together to go up and snap it away from the Government. There will be only a few people who will be able to buy it in one block. So I would like to know if that would come under your jurisdiction.

Mr. SYMINGTON. If it is not declared surplus I do not think it would; no, sir.

Mr. RICH. Then you would say it comes under some other group.

Mr. SYMINGTON. If it is not surplus I don't think it would.

Mr. COCHRAN. It is not temporary housing.

Mr. HOFFMAN. What I want to know is what they are doing with all those houses down at Queensbury. There is a case where we have three or four firms who are advertising for workers, and yet there is a bill here to pay the unemployed \$25 a week. Now we have a job for the men if you will let us have the houses to put them in.

Mr. COCHRAN. They are not so far from Detroit; why don't you get them?

Mr. HOFFMAN. Get what?

Mr. COCHRAN. They say they have hundreds of thousands of men wanting employment.

Mr. HOFFMAN. We can get them from the West Side but down at Queensbury you have seven to eight hundred houses there. They will not let them in. If they can have the houses then they will work. Without the houses they will prefer to sit down and receive \$25 for 25 or 26 weeks.

Mr. COCHRAN. Will you pay them a reasonable salary?

Mr. HOFFMAN. What do you call a reasonable salary, paying them more than a Congressman gets?

Mr. COCHRAN. Will there be a chance for me to get one of those jobs?

Mr. HOFFMAN. I want to know if we can have any of those houses. Can we have the Y. A. Building over at Benton Harbor?

Mr. COCHRAN. That other project is over.

The CHAIRMAN. Mr. Resa, have you any questions?

Mr. RESA. I have no questions.

Mr. BENDER. You gentlemen have been asking about the houses. Now before recess you were speaking about real estate and the disposal of real estate. This committee is about to act and recommend favorably, I hope, for a single administrator of surplus property. Now

you say it is more desirable to have one man than three and the three men say that is desirable. However the customer or the person who is making a purchase in a city like mine has to go to eight different places, scattered all over the city, in order to get information regarding a commodity or something that he is interested in purchasing. In other words, there is a shortage of office space for visitors in certain parts of the city, particularly office space. Now these particular agencies are scattered all over the city and you have to travel a considerable distance to get to them. I figured this noon that you have to go 9 miles in order to go from one place to the other. And these Government agencies are renting business space. For example, the Veterans' Administration took the best building in the city, right on the public square, and rented the whole building and these other agencies have space in various other important buildings. Now there are factories that will be a drug on the market, that were used for war work. They are fine, modern, up-to-date, first-class buildings, and could be used to house all these governmental agencies.

I am directing this to your attention in the hope that there may be effected a closer coordination of these Government activities and a better use of these Government plants which were paid for by the taxpayers; and that through such coordination the work of the various agencies will become more effective. Then anyone having any business dealings with those agencies can do it more conveniently. By the same taken and in the same manner it would be more convenient for one man than for three men; so why not get all of these agencies under one roof? I am sure from what I have seen of them that it is entirely possible and that would make the present space occupied available to lawyers, doctors, and manufacturing concerns who needed space. It is for that reason that I call this to your attention.

Mr. SYMINGTON. I think it is a very interesting thought.

Mr. BENDER. It is something that really deserves careful consideration because individuals transacting business with the Government have to go from pillar to post and just do not quite understand that sort of thing.

Mr. COCHRAN. You have in your city a very large Navy Department record office.

Mr. BENDER. That's right; it is directly in the center of the city occupying space that could be occupied by business and professional people.

Mr. COCHRAN. The War Department has offices spread out over the country extending from Newark to Chicago and the biggest one was in Newark. Starting this month, a whole lot of it will do just exactly what you want done. They are putting them under one roof and it so happens they are putting them in a real place; they are putting them in my district in a defense plant which cost \$130,000,000; so they are moving the entire record office of the War Department there, and they are moving it in right now. They are doing it right now as far as the War Department is concerned, and if the Navy Department does the same thing, it is all right. If you write the War Department for information in reference to some kind of a claim or an allotment, you will get a letter back that the file is down at some place, some point in North Carolina, and they will have to write down there, and when it gets back then you will get the answer. Now all those offices are being put in this one defense plant out in St. Louis, under one head, including

the War Contracts Division who are going in there and the General Accounting Office is going to have an office there where they are going to pre-audit the claims right on the ground, not post-audit, but pre-audit right on the ground. Now the War Department has done that, so why don't you get in touch with the Navy Department?

Mr. BENDER. Instead of selling some of the buildings, they might be utilized by the Government itself and many of these agencies themselves might be put under one roof. Then, too, many of these plants are in very convenient locations where it would be very easy for the citizen to go and transact his business with any one of the various Government agencies.

Mr. ERVIN. Mr. Chairman, I would like to ask one question, sir.

The CHAIRMAN. Mr. Ervin.

Mr. ERVIN. It seems that St. Louis and Cleveland have been pretty well taken care of. There are nine places where a man can go to find out about this stuff in Cleveland and the same thing in St. Louis. What I want to know is, what about an average State like Alabama or North Carolina, or Mississippi, how many places can a fellow go down there and find out about it?

Mr. HENRY. Or Wisconsin?

Mr. SYMINGTON. I would not know about it but I know that the Commerce Department were planning to take over from the Treasury the 1st of May and they recognize they have not enough outlets and therefore they have been making plans to have more outlets. Roughly, I think the RFC had 32 or 33 regional outlets and the Department of Commerce has 11 and they are increasing them as fast as they can.

Mr. ERVIN. Do you know what number they expect to increase it to?

Mr. SYMINGTON. No, sir; I do not. They recognize they have not enough outlets.

Mr. ERVIN. My own home town happens to be 300 miles from the other end of the State. So far as you know, is there any other place than the RFC office?

Mr. SYMINGTON. No, sir.

Mr. ERVIN. Don't you think there should be another place?

Mr. SYMINGTON. Yes, sir.

Mr. ERVIN. Have you any plans along that line?

Mr. SYMINGTON. We are getting into a delicate situation. We can sort of coax them into that. It is a problem of set-up.

Mr. ERVIN. That comes in under "policy." It seems to me it should be closer to the people.

Mr. RICH. In that regard you have got to be careful that you do not open too many offices. It was just a few years ago that you found very few Federal offices over the country and today you can go in any city of any size and find two or three there. So there we have got to be careful because the taxpayers want you to get rid of this surplus property. They want you to sell it but they do not want to put the money in more office space and employment offices.

Mr. ERVIN. I agree with you but I am not speaking for Pennsylvania, Ohio, and Missouri, which are very well taken care of.

Mr. JUDD. Mr. Symington, I understand you do not want us to do anything further regarding this bill for the present except to change from a Board to an Administrator.

Mr. SYMINGTON. We would be satisfied as we see it to recommend that the bill be operated during this very critical period which came

on as a result of the VJ-day situation without anything being done for some time.

Mr. JUDD. That is, you think if changes in the act were not made earlier, then they should not be made until later—that just now is not the time?

Mr. SYMINGTON. That is as we see it.

Mr. MANSFIELD. Mr. Chairman, I would like to ask Mr. Symington one question.

The CHAIRMAN. Mr. Mansfield.

Mr. MANSFIELD. Mr. Symington, would you have jurisdiction over the disposition of surplus ships of the merchant marine?

Mr. SYMINGTON. No, sir; that is specifically excepted in the act.

Mr. MANSFIELD. That is all.

Mr. WHITTINGTON. Mr. Symington, for the record, as I understand you have named eight or nine disposal agencies.

Mr. SYMINGTON. I think it is eight; yes, sir.

Mr. WHITTINGTON. I will ask you to insert in the record what those agencies are. There is the Reconstruction Finance Corporation, there is the Department of Commerce, and what others?

Mr. SYMINGTON. I may have some trouble here. There is the Department of Agriculture and Federal Housing and the Department of Commerce and Reconstruction Finance Corporation. Then there is the Maritime Commission of course. Then there is the Army-Navy Liquidation Commission. That would be the ninth. How many are we missing?

Mr. WHITTINGTON. You have given them substantially.

Mr. SYMINGTON. I think the War Food Administration has now merged in the Department of Agriculture.

Mr. COCHRAN. How about land?

Mr. SYMINGTON. Then there is the Department of the Interior. Mr. Cochran is right. They handle grazing land and mineral land.

Mr. WHITTINGTON. The main disposal agencies are the Department of Commerce, the Reconstruction Finance Corporation, and the Smaller War Plants Corporation, are they, or not?

Mr. SYMINGTON. I do not think the Smaller War Plants Agency is a disposal agency. About 95 percent, except what we do not know about, with which we have no interest—about 95 percent of all disposal—that is my curbstone estimate—would be in the RFC and the Department of Commerce.

Mr. WHITTINGTON. I will ask you to state for the information of the committee the amount received from the sales of surplus property, that is the amount realized since the board was established under the Surplus Property Act of October 1944.

Mr. SYMINGTON. I have not that figure. I can get it for you.

Mr. WHITTINGTON. I would like to have you insert it in the record when you revise your remarks.

(Information requested is as follows:)

The rice received for surplus property sold from October 1, 1944, through July 30, 1945, amounted to \$164,973,000.

Mr. WHITTINGTON. At the same time I would like to have you insert in the record the amount that was realized by the Administrator under the Executive order before the Surplus Property Board was established, so that we may have the amount down to the time when you revise your remarks.

Mr. SYMINGTON. Yes, sir.

(The data requested are as follows:)

The price received for surplus property sold by the Surplus War Property Administration from June 1 to September 1944, amounted to \$66,047,000.

Mr. WHITTINGTON. Before the noon recess I asked if you or your solicitor, that is Mr. Cox, had consulted with Mr. Beaman, of the legislative service, in regard to H. R. 3851, and I want to ask you some questions with respect to that bill, or, if you prefer, inasmuch as Mr. Cox, the general counsel of the Board, is present, I will propound the questions to Mr. Cox.

Mr. SYMINGTON. There is one thing about the Smaller War Plants Corporation. I think they do dispose of property. Everything that they want to do for the veterans they can do under the act, and it is done. They buy and then sell to the veterans. I think we could make them the eighth on the list, by including them as a disposal agency.

Mr. WHITTINGTON. Are they not a disposal agency in that regard?

Mr. SYMINGTON. Yes, sir; they can buy under the act and they have been given unusual priorities under the act—

Mr. WHITTINGTON (interposing). And Congress made very large appropriations to help not only the veterans but little business?

Mr. SYMINGTON. Yes, sir.

Mr. WHITTINGTON. That is the reason why I stated they were a disposal agency.

To get back to my question with respect to the bill that would provide for the establishment of an Administrator instead of a Board, would you like to answer, or have Mr. Cox answer?

Mr. SYMINGTON. I would prefer to have Mr. Cox answer.

Mr. WHITTINGTON. Mr. Cox, will you state your full name for the record?

STATEMENT OF HUGH B. COX, ESQ., GENERAL COUNSEL, SURPLUS PROPERTY BOARD

Mr. Cox. I am Hugh B. Cox, general counsel, Surplus Property Board.

Mr. WHITTINGTON. How long have you been acting as general counsel?

Mr. Cox. Since about the 1st of August.

Mr. WHITTINGTON. Prior to your appointment as general counsel, what official position did you hold with the Government?

Mr. Cox. I was Assistant Solicitor General.

Mr. WHITTINGTON. When were you Assistant Solicitor General?

Mr. Cox. I was Assistant Solicitor General from December 1943 until the end of July 1945.

Mr. WHITTINGTON. Before you became the Assistant Solicitor General what was your experience, and how long were you engaged in the practice of law?

Mr. Cox. Before that I was Assistant Attorney General, and before that I was engaged in the practice in New York City for 5 years.

Mr. WHITTINGTON. What is your age?

Mr. Cox. I am 39 years of age now.

Mr. WHITTINGTON. Of what institution are you a graduate?

Mr. Cox. I am a graduate of the University of Nebraska.

Mr. JUDD. That is a very excellent institution, my own alma mater.

Mr. WHITTINGTON. That is conceded.

Mr. COX. That was an A. B. degree, sir. I do not have a formal law degree.

Mr. WHITTINGTON. Now back to this bill. What do you find as to the phraseology, Mr. Cox, of section 1 of H. R. 3851, which is a bill which this committee may report?

Mr. COX. As far as we are concerned we think that phraseology is satisfactory, sir.

Now in regard to section 2 of H. R. 3851, which is the bill that you have before you?

Mr. HOFFMAN. Is that the one we passed on this morning?

Mr. WHITTINGTON. That is the one we agreed on, substantially.

Mr. COCHRAN. You say that is satisfactory?

Mr. HOFFMAN. My understanding is that you had an objection to subparagraph (c), section 2?

Mr. COX. He asked me just about the first section.

Mr. WHITTINGTON. Now, Mr. Cox, in regard to section 2, what would you say as to the language of subsection (a)?

Mr. COX. That language is satisfactory.

Mr. WHITTINGTON. It strikes me there should be inserted, following subsection (a), a provision substantially as follows—and I may say that the language I now read is subsection (b) of what we would call the committee's print if it were available, and that language is as follows, and I ask if you would recommend it should be in here, subsection (b):

So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

Mr. COX. I think that paragraph should be in the bill.

Mr. WHITTINGTON. And that may be properly inserted as subparagraph (b).

Mr. COX. That is right.

Mr. WHITTINGTON. Now, then, I ask you, with respect to subparagraph (b) of H. R. 3851, if that language is satisfactory?

Mr. COX. I think that language is satisfactory. I take it, that would be a new subparagraph (c)?

Mr. WHITTINGTON. I said that would be a new subparagraph so that in the committee bill which I have before me and which the chairman has directed to be inserted at the beginning of this hearing, and just after the message of the President of the United States, in section 1 would be a copy of section 1 of H. R. 3851; section 2, subparagraph (a) would be the same as subparagraph (a) of the bill that I referred to, H. R. 3851, and subparagraph (b) would be the new paragraph with respect to unexpended balances, and subparagraph (b) would be subparagraph (c) of the committee bill?

Mr. COX. Yes, sir.

Mr. WHITTINGTON. And you have examined the language?

Mr. COX. I have.

Mr. WHITTINGTON. And you say that would effectuate the purpose of providing for an Administrator instead of a Board?

Mr. COX. I do. I have one comment to make on subparagraph (c) of the present bill when you get to that.

Mr. WHITTINGTON. My idea is that subparagraph (c) of this H. R. 3851 is not included in this committee print?

Mr. COX. That is correct.

Mr. HOFFMAN. I have a copy of H. R. 3851. May I ask what you are talking about?

Mr. WHITTINGTON. I have had a bill prepared by the legislative counsel which embraces all of H. R. 3851 except for subparagraph (c) and inserts a new paragraph (b), making (b) of 3851 (c).

Mr. HOFFMAN. Off the record.

(Discussion off the record.)

Mr. WHITTINGTON. I said it was identical with H. R. 3851 except it eliminates subparagraph (c) and inserts a new paragraph about the transferral of the funds as (b).

Now, Mr. COX, what are your comments with respect to subparagraph (c) of H. R. 3851?

Mr. COX. That subparagraph (c) I discussed with your legislative counsel after the hearing this morning, and it seemed to both of us to be really unnecessary in this bill. It served no purpose and it had the rather undesirable effect of freezing all of your personnel irrespective of civil-service rules for a year, until after the end of the present fiscal year, so I think it was the view of your legislative counsel, and it was my view, that that subparagraph might be well omitted.

Mr. WHITTINGTON. So that the committee bill H. R. 3907 as it has been drafted, about which you have conferred with the legislative counsel, H. R. 3851 with subparagraph (c) of section 2 eliminated and including in this proposed committee bill the language in regard to so much of the unexpended balances, which I have made subparagraph (b)?

Mr. COX. That is correct, sir.

Mr. HOFFMAN. Mr. Chairman, how would it be if the rest of us had a chance to look at this draft. I understood from Mr. Whittington this morning that this bill was all right. Now after lunch we have these changes.

Chairman Manasco. Off the record.

(Discussion off the record).

Mr. WHITTINGTON. Do you have any other amendments or clarifications?

Mr. COX. No, sir; the bill is satisfactory with those changes.

Mr. RICH. In your responsibility, if you are appointed and confirmed to this office, you have charge of the funds that are coming in from the sale of all this surplus property, I thought I understood you to say?

Mr. SYMINGTON. No, sir we approve the funds that go out to sell it; we do not have any connection with the funds that come in from the sale.

Mr. RICH. Only in connection with the operating expense of the sale?

Mr. SYMINGTON. Yes, sir.

Mr. RICH. If this goes into the RFC or the Department of Commerce, or whatever department is making the sale, they are supposed to account to the Federal Government, separate from their own departments, this surplus property account; is that correct?

Mr. COCHRAN. It goes into the general fund of the Treasury, under the law.

Mr. COX. We have to pay the total proceeds, or the gross proceeds, into the miscellaneous receipts of the Treasury.

Mr. RICH. The gross proceeds?

Mr. COX. That is right.

Mr. RICH. Are they allowed to deduct their expenses for handling?

Mr. COX. No, sir; that expense has to come out of the money that is appropriated to them, that we allocate to them.

Mr. RICH. They operate from their department?

Mr. COX. Yes.

The CHAIRMAN. Are there any other questions?

Mr. HOFFMAN. Yes. In subsection (c) it says that all these regulations, and so forth, shall remain in effect unless and until superseded or rescinded by the Surplus Property Administrator.

Congress, then, will not have anything to say about that. If we abolish this Board those things still stick, do they?

Mr. COX. The purpose of that, Representative Hoffman, is this: If you abolish the Board and a new Administrator is appointed, until he has had time to change them, these agencies want to have something to operate under, and the purpose of that subparagraph is just to leave the present regulations in effect until the new man can get around to revising them; otherwise, if they are all repealed there is a kind of vacuum; nobody will know what the rules are.

Mr. HOFFMAN. Then, virtually it is the substance of the original bill—the Colmer bill?

Mr. COX. That is correct; except that we are suggesting that subsection (c) of the Colmer bill be dropped out as being unnecessary, but (b) of the original Colmer bill remains.

The CHAIRMAN. Are there any other questions?

Mr. GOSSETT. I move that the hearings be closed.

The CHAIRMAN. I would like to ask, first, if there are any other witnesses who would like to testify on this particular bill. When we started out, maybe they thought we were going to the amendments of the general act, the substantive law, but the developments of this morning changed that program, and we shall have to postpone these hearings until Mr. Symington, or whoever may be appointed as Administrator under the new bill, can have an opportunity to make studies and recommendations. Mr. Symington does not feel that he is prepared at the present time to make those recommendations.

I am just asking if there are any people who want to appear and testify either for or against the change from a board to an administrator. I do not see any hands; so I take it that the motion will now be in order.

Mr. HOFFMAN. You say no one else wants to be heard?

The CHAIRMAN. I do not see anyone.

Mr. MANSFIELD. Why not report the bill with the amendments agreed upon?

The CHAIRMAN. The committee will go into executive session.

(At 3:45 p. m. the committee proceeded to the consideration of executive business, after which it adjourned subject to the call of the chairman.)

ADMINISTRATION OF THE SURPLUS PROPERTY ACT OF
1944 BY A SURPLUS PROPERTY ADMINISTRATOR

SEPTEMBER 5, 1945.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. MANASCO, from the Committee on Expenditures in the Executive
Departments, submitted the following

REPORT

[To accompany H. R. 3907]

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (H. R. 3907) to provide for the administration of the Surplus Property Act of 1944 by a Surplus Property Administrator, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

I. THE NEED FOR LEGISLATION

In a message to the Congress on July 17, 1945, the President of the United States recommended that the Congress enact legislation substituting a Surplus Property Administration headed by a single Administrator in place of the Surplus Property Board created by the Surplus Property Act of 1944. The President's message is as follows:

To the Congress of the United States:

On October 3, 1944, the Congress enacted the Surplus Property Act of 1944, a comprehensive scheme for the declaration, handling, and disposal of all types of surplus property.

The operations of the three-man Surplus Property Board created by that act have been marked by substantial achievements. It has set in motion the disposal machinery which Congress authorized and it has begun to implement the standards which Congress laid down for the disposal of surplus property. Regulations already promulgated or in the process of adoption cover the most important types of property—consumer goods, plant equipment, industrial plants, and farm lands. The emphasis in the Board's task will then shift from the promulgation of policy to the effectuation of basic policies already established.

The task of administration becomes increasingly difficult as the rate of surplus declarations rapidly rises. That rate is rising sharply now. To dispose of this

growing volume of surplus property in a manner that will fully achieve the objectives declared by Congress will require the most efficient possible administrative machinery.

While the present Surplus Property Act was under consideration by the Congress the then Director of War Mobilization and Reconversion, Mr. Byrnes, recommended provision for a single administrator. I think experience has proved him right.

In a field which calls for quick and decisive action, it is undesirable to dilute responsibility for the disposal of surplus property. Administration by a multi-member Board has complicated day-to-day operations under the act.

More recently the retiring Chairman of the Board has stated to the Congress that although he originally shared the view that a three-man Board was appropriate, his experience also led him to the belief that the act can best be administered by a single administrator.

I am convinced that the effective performance of the vast administrative task remaining for the disposal of surplus property imperatively requires that authority to make decisions and responsibility for those decisions should be centralized in a single official. Such an official should operate, as do all other executive agencies, under the general authority conferred by the President and the Congress on the Office of War Mobilization and Reconversion. Accordingly, I request the Congress to amend the Surplus Property Act of 1944 by substituting a single administrator for the present Surplus Property Board.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 17, 1945.*

Prior to the passage of the act Mr. Baruch and Mr. Hancock, in their report to the President on reconversion, recommended that the management and disposal of surplus property be placed under a single administrator. Mr. Justice Byrnes, then Director of War Mobilization and Reconversion took the same position. Since the enactment of the statute, Senator Gillette, former Chairman of the Surplus Property Board, has stated that in his view a single administrator should be substituted for the present Board.

In the second session of the Seventy-eighth Congress when this committee was considering legislation on surplus property, it said in its report on H. R. 5125:

Inherent in the nature of the disposal problem is the necessity for making prompt and consistent decisions on specific questions of disposal as they arise. Consultation and advice are of the utmost importance, not only from Government officials but from all segments of the economy interested in a particular disposal program, but any requirement which translates consultation and advice into an administrative machinery which cannot function promptly when prompt action is called for, would defeat its own purpose. Here again individual responsibility and authority is clearly indicated.

The committee considered carefully and rejected various suggestions, which differ considerably in detail, to the effect that the final responsibility and authority should be vested in a board. It seems to the committee that both factors outlined above militate against the advisability of such a decision. A board must necessarily act through the action of a majority, or some larger specified percentage, of its members or of its members present at a particular meeting. This would clearly impede not only the ability of Congress to know who was really making the decisions, but also the ability to take prompt action which could not wait on the ability of a board to meet, discuss, and make up its collective mind.

In a letter to the committee dated August 27, 1945, and signed by all of its members, the present Surplus Property Board unanimously recommended that Congress abolish the Board and substitute a single administrator as soon as possible.

The Chairman of the Surplus Property Board, Mr. Stuart Symington, at a hearing held on August 28, 1945, pointed out the urgent need for legislation on this matter. The next 60 to 90 days will be a

crucial period in the handling and disposal of surplus property. The War Department already is declaring surplus property to the Department of Commerce at a rate in excess of \$100,000,000 a day. A substantial number of plants and large quantities of machine tools and plant equipment are being declared surplus and will be available for disposition in the near future. In addition, real property and other kinds of property will probably be declared surplus in ever-increasing amounts. It is urgent, therefore, that immediate steps be taken so that this tremendous volume of surplus property may be handled by the most efficient administrative machinery.

The committee has under consideration amendments of other provisions of the Surplus Property Act. Many of the restrictive provisions of the act were criticized at the time the statute was passed. Experience has shown that these provisions will probably interfere with the prompt and businesslike disposition of surplus property. These provisions were designed to accomplish certain long-run social purposes. It seems likely, however, that the delay the provisions may cause will so interfere with the disposition of surplus property as to retard conversion and prevent the prompt employment of workers. The rapid conversion of the economy to a peacetime basis is in itself a social objective of greatest importance, and it would be unfortunate if the provisions of the act should interfere with the accomplishment of this objective.

The Chairman of the Surplus Property Board has suggested at the hearing that it may be possible by revising or changing the regulations of the Board or by other forms of administrative action to prevent serious delays in the disposition of surplus property. He stated that he preferred not to make suggestions as to amendments to the act until there has been an opportunity to make these administrative changes and to observe the operations of the statute in the changed conditions that now confront the country. The committee hopes that it will be possible within the framework of the present act to find administrative means of expediting the disposal of the bulk of the surplus property now so greatly increased.

The committee believes that the uncertainty as to whether the statute should be administered by a board or an administrator should be ended at once. Accordingly, although the committee believes that it will be necessary subsequently for Congress to consider amending the substantive provisions of the act it now recommends that Congress immediately abolish the Surplus Property Board and substitute therefor a Surplus Property Administration headed by a single Administrator.

II. ANALYSIS BY SECTIONS

Section 1 of the bill establishes, in the Office of War Mobilization and Reconversion, a Surplus Property Administration headed by a Surplus Property Administrator who shall be appointed by the President with the advice and consent of the Senate. The Administrator's term of office is 2 years and he shall receive \$12,000 per year.

Section 2 abolishes the Surplus Property Board as soon as the Surplus Property Administrator takes office under this act. Effective at the time the Administrator takes office, all of the functions, records,

property, and personnel of the Surplus Property Board are transferred to the Surplus Property Administration.

Section 2 (b) transfers unexpended appropriations and other funds available to the Surplus Property Board to the Surplus Property Administration for use in connection with transferred functions and duties.

Section 2 (c) provides that all regulations and other administrative acts of the Surplus Property Board in effect when the Administrator takes office shall remain in effect until superseded or changed by the Surplus Property Administration.



Union Calendar No. 288

79TH CONGRESS
1ST SESSION

H. R. 3907

[Report No. 941]

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 1945

Mr. MANASCO introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

SEPTEMBER 5, 1945

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That there is hereby established in the Office of War Mobili-
4 zation and Reconversion a Surplus Property Administration
5 which shall be headed by a Surplus Property Administrator.
6 The Administrator shall be appointed by the President by
7 and with the advice and consent of the Senate and shall
8 receive compensation at the rate of \$12,000 per year. The
9 term of office of the Administrator shall be two years.

10 SEC. 2. (a) Effective at the time the Surplus Property

1 Administrator first appointed under this Act qualifies and
2 takes office, the Surplus Property Board created by section 5
3 of the Surplus Property Act of 1944 is abolished, all of its
4 functions are transferred to, and shall be exercised by, the
5 Surplus Property Administrator, and all of its personnel (ex-
6 cept the members thereof), records, and property (including
7 office equipment) are transferred to, and shall become, re-
8 spectively, the personnel, records, and property of the
9 Surplus Property Administration.

10 (b) So much of the unexpended balances of appropria-
11 tions, allocations, or other funds available for the use of the
12 Surplus Property Board in the exercise of any function trans-
13 ferred by this Act shall be transferred to the Surplus Prop-
14 erty Administration for use in connection with the exercise
15 of the functions so transferred.

16 (c) All regulations, policies, determinations, authoriza-
17 tions, requirements, designations, and other actions of the
18 Surplus Property Board, made, prescribed, or performed
19 before the transfer of functions provided by subsection (a)
20 of this section shall, except to the extent rescinded, modified,
21 superseded, or made inapplicable by the Surplus Property
22 Administrator, have the same effect as if such transfer had
23 not been made; but functions vested in the Surplus Property
24 Board by any such regulation, policy, determination, authori-

1 zation, requirement, designation, or other action shall, insofar
2 as they are to be exercised after the transfer, be considered
3 as vested in the Surplus Property Administrator.

79TH CONGRESS
1ST SESSION

H. R. 3907

[Report No. 941]

A BILL

To provide for administration of the Surplus
Property Act of 1944 by a Surplus Property
Administrator.

By Mr. MANASCO

SEPTEMBER 5, 1945

Referred to the Committee on Expenditures in the
Executive Departments

SEPTEMBER 5, 1945

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 6, 1945, for actions of Wednesday, September 5, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House received President's recommendation for appropriations reductions and the lend-lease report. House committee reported bill to provide for a single administrator of the Surplus Property Act.

HOUSE

1. APPROPRIATIONS. Received from the President recommendations for reductions in "certain wartime appropriations" (H.Doc. 280). To Appropriations Committee. (p. 8476.) Rep. Cannon, Mo., announced that the Appropriations Com. has begun hearings (pp. 8473-4).
2. SURPLUS PROPERTY. Expenditures in the Executive Departments Committee reported without amendment H.R. 3907, to provide for administration of the Surplus Property Act by a Surplus Property Administrator (H.Rept. 941) (p. 8477).
Received the President's veto message on H.R. 3549, to provide for the conveyance of certain Weather Bureau property to Norwich University, Vt, in which the President stated, "By adoption of the Surplus Property Act of 1944, the Federal Government provided, within the framework of a single enactment, for a coordinated system of disposal of its surplus properties under uniform policies and procedures. If the Government is to succeed...I think it is important that the operating principles and standards of action governing such disposals should be kept confined within a single instrument." To Agriculture Committee. (pp. 8464-5.)
3. LEND-LEASE. Received the President's message transmitting the Lend-Lease Report for the period ending June 30, 1945, in which he stated, "The great task of lend-lease has now ended...The United States is assisting in the relief and reconstruction of the wartorn areas of our allies and in the establishment of world trade on the high level necessary to insure full and useful employment and production at home and abroad." To Foreign Affairs Committee. (p. 8463.)
Rep. Bradley, Pa., urged that some readjustment be made in connection with repayments for lend-lease aid (pp. 8472-3).
4. VETERANS; BARUCH REPORT. Rep. Rogers, Mass., inserted Bernard Baruch's report to Gen. Bradley urging provision for returning veterans for employment and other benefits (pp. 8468-71).
5. CONTRACT SETTLEMENT. Received GAO's report of activities under the Contract Settlement Act of 1944. To Judiciary Committee. (p. 8476.)

- 2 -

Received the 4th quarterly progress report of the Office of Contract Settlement. To Judiciary Committee. (p. 8476.)

6. RECLAMATION. Received Interior's report on the Heart Mountain power development, Shoshone reclamation project, Wyo. (H.Doc. 281). To Irrigation and Reclamation Committee. (p. 8476.)
7. RECONSTRUCTION FINANCE CORPORATION's May 1945 report received. To Banking and Currency Committee. (p. 8476.)
8. ATTORNEY GENERAL's 10th report; covering period from April 10 through August 1, 1945, received. To Banking and Currency Committee. (p. 8476.)
9. SMALL BUSINESS. Received the 19th bimonthly report of the Smaller War Plants Corporation, covering the period June 1 through July 31, 1945. To Banking and Currency Committee. (p. 8477.)
10. VETERANS; PERSONNEL; EMPLOYMENT. Received a Wis. Legislature memorial favoring legislation clarifying the rights and privileges of returning veterans to their former positions of civilian employment (p. 8478).
11. LEGISLATIVE PROGRAM as announced by Acting Majority Leader Bulwinkle: Mon., H.R. 3907, providing for a single administrator of the Surplus Property Act of 1944, and H.R. 3660, providing for control of Government corporations (p. 8465).

SENATE

12. ADJOURNED in memory of the late Sen. Johnson, Calif. (p. 8460).
13. NOMINATIONS. Received nominations of Donald S. Russell and William Benton to be Assistant Secretaries of State; Benjamin V. Cohen to be counselor of the State Department; Leo T. Crowley and Phillips Lee Goldsborough to be members of the FDIC; and Maj. Gen. Robert Walter Crawford to be president of the Mississippi River Commission (pp. 8460-1).

BILLS INTRODUCED

14. SELECTIVE SERVICE. H.R. 3909, by Rep. Earthman, Tenn., to stop inductions under the Selective Training and Service Act. To Military Affairs Committee. (p. 8477)
H.R. 3931, by Rep. Roe, Md., to stop inductions under the Selective Training and Service Act. To Military Affairs Committee. (p. 8477.)
15. EMPLOYMENT; VETERANS. H.R. 3911, by Rep. Baldwin, Md., to extend veterans' reemployment rights. To Military Affairs Committee. (p. 8477.)
H.Con. Res. 71, by Rep. Luce, Conn., urging reemployment of physically handicapped veterans. To World War Veterans' Legislation Committee. (p. 8477.)
16. DAYLIGHT SAVING. H.R. 3915, by Rep. Howell, Ill., H.R. 3921, by Rep. McMillan, S.C., H.R. 3929, by Rep. Rees, Kans., H.R. 3930, by Rep. Rizley, Okla., H.R. 3932 by Rep. Roe, Md., H.Con. Res. 70, by Rep. Talke, Iowa, H.Con. Res. 73, by Rep. Brooks, La., H.Con. Res. 74, by Rep. Paoe, Tex., H.Con. Res. 76, by Rep. Brown, Ga., and H.Con. Res. 77, by Rep. Gross, Pa., favoring discontinuance of daylight saving time (pp. 8477-8).
17. PRICE CONTROL. H.J. Res. 232, by Rep. Hoffman, Mich., to repeal Public Law 421, 77th Cong., the Emergency Price Control Act. To Banking and Currency Committee. (p. 8477)
18. VETERANS. H.R. 3908, H.R. 3916, H.R. 3918, and H.R. 3938.

663. A letter from the Chairman, War Production Board, transmitting the nineteenth bimonthly report of the Smaller War Plants Corporation, covering the period from June 1, 1945, through July 31, 1945; to the Committee on Banking and Currency.

664. A letter from the Comptroller of the Currency, transmitting the annual report of the Comptroller of the Currency for the year 1944; to the Committee on Banking and Currency.

665. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide for the compromise and settlement by the Secretary of the Navy of certain claims for damage to property under the jurisdiction of the Navy Department, to provide for the execution of releases by the Secretary of the Navy upon payment of such claims, and for other purposes; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. MANASCO: Committee on Expenditures in the Executive Departments. H. R. 3907. A bill to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator; without amendment (Rept. No. 941). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 3908. A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war; to the Committee on Invalid Pensions.

By Mr. EARTHMAN:

H. R. 3909. A bill to stop inductions under the Selective Training and Service Act of 1940, to stimulate enlistments in the armed forces, and for other purposes; to the Committee on Military Affairs.

By Mr. AUCHINCLOSS:

H. R. 3910. A bill to authorize and direct the Administrator of Veterans' Affairs to zone the United States into 9 administrative divisions; to decentralize the activities of the Veterans' Administration; to appoint 10 deputy administrators; and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BALDWIN of Maryland:

H. R. 3911. A bill to amend section 16 (b) of the Selective Training and Service Act of 1940, so as to extend the period during which reemployment rights are protected; to the Committee on Military Affairs.

By Mr. BENDER:

H. R. 3912. A bill making it a capital offense to disclose information or impart knowledge with respect to the atomic bomb; to the Committee on the Judiciary.

By Mr. HOFFMAN:

H. R. 3913. A bill to amend sections 2 and 3 of the Selective Training and Service Act of 1940 and such other sections of said act and all acts amendatory thereto and all provisions of any other legislation in Congress in conflict with the provisions of this act; to the Committee on Military Affairs.

By Mr. HOOK:

H. R. 3914. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. HOWELL:

H. R. 3915. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. KEARNEY:

H. R. 3916. A bill to authorize judicial review of the regulations, rulings, and procedures of the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. KILDAY:

H. R. 3917. A bill to stimulate enlistments in the Regular Army; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3918. A bill to exempt from the Federal income tax bonuses paid by States, Territories, possessions, and political subdivisions thereof, for service in the armed forces; to the Committee on Ways and Means.

By Mr. LARCADE:

H. R. 3919. A bill to make section 112 (b) (7) of the Internal Revenue Code applicable with respect to certain corporate liquidations in 1945; to the Committee on Ways and Means.

H. R. 3920. A bill to provide for the release of fathers from active military or naval service; to the Committee on Military Affairs.

By Mr. McMILLAN of South Carolina:

H. R. 3921. A bill to restore standard time; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON:

H. R. 3922. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health and welfare of mothers and children and for services to crippled children, and for other purposes; to the Committee on Labor.

By Mr. PRICE of Florida:

H. R. 3923. A bill to provide for the establishment of a United States Navy Training School for Nurses; to the Committee on Naval Affairs.

H. R. 3924. A bill to provide for the establishment of a United States Naval Medical School; to the Committee on Naval Affairs.

H. R. 3925. A bill relating to the income taxes of members of the armed forces who die in the service of the Nation; to the Committee on Ways and Means.

H. R. 3926. A bill to provide for the establishment of a United States Army Training School for Nurses; to the Committee on Military Affairs.

H. R. 3927. A bill to provide for the establishment of a United States Military Medical School; to the Committee on Military Affairs.

H. R. 3928. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. REES of Kansas:

H. R. 3929. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. RIZLEY:

H. R. 3930. A bill repealing any and all existing laws heretofore enacted by the Congress relating to or fixing time and all orders, rules, or directives made thereunder, and establishing standard time for the continental United States; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE of Maryland:

H. R. 3931. A bill to stop inductions under the Selective Training and Service Act of 1940, as amended; to the Committee on Military Affairs.

H. R. 3932. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH:

H. R. 3933. A bill to amend Public Law 712, Seventy-seventh Congress, as amended, to facilitate voting by members of the armed forces and certain others absent from the place of their residence; to the Committee

on Election of President, Vice President, and Representatives in Congress.

By Mr. SIKES:

H. R. 3934. A bill to amend the Mustering-Out Payment Act of 1944; to the Committee on Military Affairs.

H. R. 3935. A bill to provide for the retirement of certain commissioned officers, commissioned warrant officers, chief warrant officers, warrant officers, and enlisted men of the Army, Navy, Marine Corps, and the Coast Guard; to the Committee on Military Affairs.

H. R. 3936. A bill to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States, and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions; to the Committee on Military Affairs.

By Mr. SMITH of Virginia:

H. R. 3937. A bill to repeal the War Labor Disputes Act and to abolish the National War Labor Board; to the Committee on Military Affairs.

By Mr. SPARKMAN:

H. R. 3938. A bill to continue veteran benefits previously granted by acts of the Congress to temporary members of the Army of the United States, Navy, Marine Corps, and Coast Guard, including men inducted under the provisions of the Selective Training and Service Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

By Mr. STEVENSON:

H. R. 3939. A bill authorizing an appropriation of \$500,000,000 for research with respect to the cause and cure of cancer and poliomyelitis; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR:

H. R. 3940. A bill to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.," approved April 2, 1941; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN:

H. J. Res. 232. Joint resolution to repeal Public Law 421, Seventy-seventh Congress; to the Committee on Banking and Currency.

By Mr. BROWN of Ohio:

H. Con. Res. 69. Concurrent resolution to create a joint committee of the House of Representatives and the Senate of the United States to investigate the attack upon the Territory of Hawaii; to the Committee on Rules.

By Mr. TALLE:

H. Con. Res. 70. Concurrent resolution fixing the time for the return to standard time; to the Committee on Interstate and Foreign Commerce.

By Mrs. LUCE:

H. Con. Res. 71. Concurrent resolution urging the employment by private industry of physically handicapped veterans of World War II; to the Committee on World War Veterans' Legislation.

By Mr. HARNESS of Indiana:

H. Con. Res. 72. Concurrent resolution to create a joint committee of the House of Representatives and the Senate of the United States to investigate the attack upon the Territory of Hawaii; to the Committee on Rules.

By Mr. BROOKS:

H. Con. Res. 73. Concurrent resolution repealing the act of January 20, 1942, chapter 7 (56 Stat. 9) relating to daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H. Con. Res. 74. Concurrent resolution to repeal daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. CASE of South Dakota:

H. Con. Res. 75. Concurrent resolution inviting the United Nations to locate seat of government in the United States; to the Committee on Foreign Affairs.

By Mr. BROWN of Georgia:

H. Con. Res. 76. Concurrent resolution to provide for termination of the act of January 20, 1942, providing for daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. GROSS:

H. Con. Res. 77. Concurrent resolution to provide for termination of the act of January 20, 1942, providing for daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. LUDLOW:

H. Res. 336. Resolution urging action by the United Nations to ban the atomic bomb as an instrument of war; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation clarifying the rights and privileges of returning veterans to their former positions of civilian employment; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress and the Navy to investigate the advantages of wintering naval craft at Marinette, Sturgeon Bay, and other Wisconsin ports on Lake Michigan; to the Committee on Naval Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation requiring prompt deportation after the war of imported war prisoners, foreign labor battalions, and refugees and barring further immigration to the United States until our returning war veterans are afforded an opportunity for gainful employment and the number of our unemployed is reduced to a minimum; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the Presi-

dent and the Congress of the United States to abolish the party convention system of nominating and the electoral college method of electing the President and Vice President of the United States and to enact law providing for nomination and election of the President and Vice President by popular vote; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to investigate the feasibility of converting the ordnance plant at Milwaukee into a veterans' hospital; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to direct the proper Federal agency to prescribe and recommend uniform traffic signals and other safety devices on the highways; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Wisconsin, requesting Harold L. Ickes, Solid Fuels Administrator for War, to relax the restriction on the sale of solid fuel imposed by SFAW Regulation 26; to the Committee on Mines and Mining.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KNUTSON:

H. R. 3941. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Joseph Lundborg and others against the United States; to the Committee on Claims.

H. R. 3942. A bill for the relief of Anton Waytashek; to the Committee on Claims.

By Mr. LARCADE:

H. R. 3943. A bill authorizing the President of the United States to award a Congressional Medal of Honor to Gen. Douglas MacArthur, United States Army; to the Committee on Military Affairs.

H. R. 3944. A bill authorizing the President of the United States to award a special Congressional Medal of Honor to Gen. John J. Pershing, United States Army; to the Committee on Military Affairs.

H. R. 3945. A bill authorizing the President of the United States to award a special Con-

gressional Medal of Honor to Gen. Douglas MacArthur, United States Army; to the Committee on Military Affairs.

H. R. 3946. A bill authorizing the President of the United States to award a special Congressional Medal of Honor to Gen. Dwight David Eisenhower, United States Army; to the Committee on Military Affairs.

By Mrs. LUCE:

H. R. 3947. A bill to authorize the President of the United States to present the Congressional Medal of Honor to Jonathan M. Wainwright; to the Committee on Military Affairs.

By Mr. PRICE of Florida:

H. R. 3948. A bill for the relief of Mrs. Clifford W. Prevatt; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 3949. A bill granting a pension to Cora Arlena Ballard; to the Committee on Invalid Pensions.

H. R. 3950. A bill granting a pension to Elizabeth Lively; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1116. By the SPEAKER: Petition of Wildon Lloyd, Washington, D. C., petitioning consideration of his resolution with reference to the impeachment of Judge George P. Barse of the Municipal Court of the District of Columbia; to the Committee on the Judiciary.

1117. Also, petition of Wildon Lloyd, Washington, D. C., petitioning consideration of his resolution with reference to the impeachment of Judge Cayton of the Municipal Court of the District of Columbia; to the Committee on the Judiciary.

1118. Also, petition of Branch 11, Boston, Workmen's Benefit Fund of America, petitioning consideration of their resolution with reference to their protest of any and all proposals for compulsory peacetime military training; to the Committee on Military Affairs.

1119. Also, petition of the Board of Commissioners, City of Newark, N. J., concurring in the resolution adopted by the members of post, No. 273, of Newark, Jewish War Veterans of the United States of America, relative to the chairmanship of the Veterans' Committee of the House of Representatives; to the Committee on Rules.

Sept. 6, 1945

18. SURPLUS PROPERTY. Rep. Manasco, Ala., received unanimous consent that on Monday, Sept. 10, it shall be in order to consider H.R. 3907, to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator (p. 8518).
19. RATIONING. Rep. Murray, Wis., urged that ration points be taken off beef in order to provide necessary nutrition, to avoid a demoralized beef market, to furnish employment, and to "see a policy of abandoning the rationing of food when there is no shortage of a food" (pp. 8551-2).
20. GOVERNMENT CORPORATIONS. Rules Committee reported a resolution for the consideration of H.R. 3660, to provide for financial control of Government corporations (p. 8559).
21. DAYLIGHT SAVING TIME. Rep. Cannon, Mo., spoke favoring the return to standard time and inserted sundry telegrams, etc., on the subject (pp. 8531-50).
22. POST-WAR PLANNING. Rep. Gross, Pa., spoke optimistically about the employment situation and discussed the full-employment, selective service, lend-lease, and veterans' phases of the President's message (pp. 8553-4).
23. ADJOURNED until Mon., Sept. 10 (p. 8559).

ITEMS IN APPENDIX

24. TRANSPORTATION. Sen. Lucas, Ill., inserted an CDT release on carloadings of grain and grain products statistics (p. A4069).
Reps. Bennet and Reed, N.Y., inserted N. Y. Legislature resolutions favoring H. R. 3615, to provide for Federal aid in construction of airports (pp. A4064-5, A4092-3).
25. PRICE CONTROL. Sen. Lucas, Ill., inserted a Prairie Farmer editorial commending OPA's administration of price controls (pp. A4071-2).
26. EMPLOYMENT DISCRIMINATION. Sen. Lucas, Ill., inserted correspondence between Sen. Bilbo, Miss., and Flora J. Cooke, retired teacher, included in a Chicago Sun article, on employment discrimination (pp. A4081-2).
27. POST-WAR PLANNING. Sen. Murray, Mont., inserted Bishop Ready's sermon on reconversion as related to employment, wages, and social security (pp. A4070-1).

BILLS INTRODUCED

28. SURPLUS PROPERTY. S. 1353, by Sen. Thomas, Utah, to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator. To Military Affairs Committee. (p. 8501.)
29. ASSISTANT SECRETARIES OF COMMERCE. S. 1367, by Sen. Bailey, N. Car., to provide for the appointment of three additional Assistant Secretaries of Commerce. To Commerce Committee. (p. 8502.)
30. BANKRUPTCY. S. 1365, by Sen. Connally, Tex., to amend Sec. 35 of the Bankruptcy Act to permit the appointment of supervising conciliation commissioners as referees in bankruptcy. To Judiciary Committee. (p. 8502.)

31. PERSONNEL. S. 1351, by Sen. McCarran, Nev., to provide for a 30-hour week for Federal officers and employees and S. 1352, to protect leave accumulated by Federal employees in excess of 60 days. To Civil Service Committee. (pp. 8502, 8503.) Remarks of author (pp. 8502-3).
32. DAYLIGHT SAVING TIME. S. 1358, by Sen. Byrd, Va., to provide for returning to the use of standard time. To Interstate Commerce Committee. (p. 8502.)
H. R. 3953, by Rep. Brumbaugh, Pa., to restore standard time, and H.R. 3956, by Rep. Knutson, Minn., to repeal the act establishing daylight-saving time. To Interstate and Foreign Commerce Committee. (p. 8559.)
33. TAXATION. H. R. 3954, by Rep. Flood, Pa., to effect a reduction in individual income tax. To Ways and Means Committee. (p. 8559.)
34. VETERANS; EMPLOYMENT. H.R. 3958, by Rep. Morrison, La., to continue in effect the reemployment rights of veterans after the termination of other provisions of the Selective Training and Service Act of 1940. To Military Affairs Committee. (p. 8559.)
35. DAYLIGHT-SAVING TIME. H.Con. Res. 78, by Rep. Angell, Oreg., to reinstate standard time, H. Con. res. 79, by Rep. Schwabe, Okla., setting the date for the discontinuation of daylight-saving time, and H.J.Res. 235, by Rep. Price, Ill., to provide for termination of the act of Jan. 20, 1942, providing for daylight-saving time. To Interstate and Foreign Commerce Committee. (p. 8560.)
36. PRINTING AND BINDING. H.R. 3962, by Rep. Rees, Kans., to establish a Division of Printing Control in the Office of the Bureau of the Budget. To Printing Committee. (p. 8560.)

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 112 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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ITEMS IN FEDERAL REGISTER Sept. 6, 1945.

37. SURPLUS PROPERTY Board regulations on the delegation of authority to this Department for disposal of surplus food items, priorities of Government agencies and State and local governments, and release of surplus trucks previously allocated for disposal (pp. 11364, 11365, 11378).

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COMMITTEE HEARINGS ANNOUNCEMENTS for Sept. 7: S. Banking and Currency, full-employment bill (ex.); S. Judiciary, Government reorganization; H. Appropriations, deficiency (ex.); H. Expenditures in the Executive Departments, reorganization (ex.); H. Ways and Means, unemployment compensation.

79TH CONGRESS
1ST SESSION

S. 1353

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 6, 1945

Mr. THOMAS of Utah introduced the following bill; which was read twice
and referred to the Committee on Military Affairs

A BILL

To provide for administration of the Surplus Property Act of 1944
by a Surplus Property Administrator.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That there is hereby established in the Office of War Mobiliza-
4 tion and Reconversion a Surplus Property Administration
5 which shall be headed by a Surplus Property Administra-
6 tor. The Administrator shall be appointed by the President
7 by and with the advice and consent of the Senate and shall
8 receive compensation at the rate of \$12,000 per year. The
9 term of office of the Administrator shall be two years.

10 SEC. 2. (a) Effective at the time the Surplus Property
11 Administrator first appointed under this Act qualifies and

1 takes office, the Surplus Property Board created by section
2 5 of the Surplus Property Act of 1944 is abolished, all of
3 its functions are transferred to, and shall be exercised by,
4 the Surplus Property Administrator, and all of its personnel
5 (except the members thereof), records, and property (in-
6 cluding office equipment) are transferred to, and shall be-
7 come, respectively, the personnel, records, and property of
8 the Surplus Property Administration.

9 (b) So much of the unexpended balances of appro-
10 priations, allocations, or other funds available for the use of
11 the Surplus Property Board in the exercise of any function
12 transferred by this Act shall be transferred to the Surplus
13 Property Administration for use in connection with the
14 exercise of the functions so transferred.

15 (c) All regulations, policies, determinations, author-
16 izations, requirements, designations, and other actions of the
17 Surplus Property Board, made, prescribed, or performed,
18 before the transfer of functions provided by subsection (a)
19 of this section, shall, except to the extent rescinded, modi-
20 fied, superseded, or made inapplicable by the Surplus Prop-
21 erty Administrator, have the same effect as if such transfer
22 had not been made; but functions vested in the Surplus
23 Property Board by any such regulation, policy, determina-
24 tion, authorization, requirement, designation, or other action,

- 1 shall, insofar as they are to be exercised after the transfer,
- 2 be considered as vested in the Surplus Property
- 3 Administrator.

A BILL

To provide for administration of the Surplus
Property Act of 1944 by a Surplus Property
Administrator.

By Mr. THOMAS of Utah

SEPTEMBER 6, 1945

Read twice and referred to the Committee on Military
Affairs

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 11, 1945, for actions of Monday, September 10, 1945)

(For staff of the Department only)

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HIGHLIGHTS: House passed bill providing for a single Surplus Property Administrator. Rep. Rees criticized beef rationing. Sen. Wagner inserted full-employment testimony. Sen. Wiley criticized rationing of dairy products. Sen. Wiley introduced measure to provide for a Joint Committee on the Budget.

HOUSE

1. SURPLUS PROPERTY. Passed without amendment H.R. 3907, to provide for the administration of the Surplus Property Act of 1944 by a Surplus Property Administrator (pp. 8600-9). Rep. Robsion, Ky., urged that most of the surplus property still abroad be returned rather than donated to foreign governments (p. 8601-2).
2. BEEF RATIONING. Rep. Rees, Kans., criticized continuation of beef rationing (p. 8599).

SENATE

3. FULL-EMPLOYMENT BUDGET. Sen. Wagner, N.Y., inserted excerpts from testimony on the full-employment bill, including Secretary Anderson's (pp. 8563-5). Sen. Murray, Mont., inserted editorials on this subject (pp. 8569-72).
4. DAIRY PRODUCTS; RATIONING. Sen. Wiley, Wis., urged removal of dairy products from the ration list and inserted his letter to Secretary Anderson on the subject (p. 8567).
5. NOMINATIONS. Confirmed the nominations of Leo T. Crowley and Phillips Lee Goldsborough to be members of the Board of Directors of FDIC (pp. 8592, 8596).
6. AIRPORT BILL. Began debate on S. 2, to provide Federal aid for airport construction, etc. (pp. 8573-92).
7. BANKRUPTCY. Judiciary Committee reported without amendment S. 1365, to permit the appointment of supervising conciliation commissioners as referees in bankruptcy (S. Rept. 556) (p. 8562).

BILLS INTRODUCED

- and H.R. 3973, by Rep. Bland, Va.,
8. PERSONNEL. S. 1370, by Sen. Bailey, N.C.,/to amend the act providing for reemployment rights for persons who leave their positions to serve in the merchant marine. To Senate Commerce and House Merchant Marine and Fisheries Committees. (pp. 8563, 8609.)
 9. FLOOD CONTROL. S. 1372, by Sen. Downey, Calif., to officially name the Lytle and Cajon Creeks, Calif.,/the ^{project} Sheppard floodway. To Commerce Committee. (p. 8563)
 10. BUDGETING. S. Com. Res. 29, by Sen. Wiley, Wis., to provide for a Joint Committee on the Budget. Remarks of author. (pp. 8565-6.)
 11. FEDERAL-AID HIGHWAYS. S. Con. Res. 31, by Sen. McKellar, Tenn., to provide for the resumption of highway construction under the Federal-Aid Highway Act. To Post Offices and Post Roads Committee. (p. 8567.)
 12. POST-WAR INVESTIGATION. S. Res. 172, by Sen. Downey, Calif., to provide for an investigation, with respect to the Rocky Mountain States, of population shift of disposition of surplus property, and other problems arising out of the termination of the war. To Civil Service Committee. (p. 8567.)
 13. WATER POLLUTION. H.R. 3972, by Rep. Bailey, W. Va., to encourage the prevention of stream pollution by allowing amounts paid for plants for the treatment of industrial waste as a deduction in the computation of net income. To Ways and Means Committee. (p. 8609.)
 14. DAYLIGHT-SAVING TIME. H. R. 3974, by Rep. Boren, Okla., and H.R. 3975, by Rep. Bulwinkle, N.Car., to provide for termination of daylight-saving time. To Interstate and Foreign Commerce Committee. (p. 8609.)
 15. PERSONNEL; APPOINTMENTS. H.R. 3977, by Rep. Luce, Conn., to give retired non-commissioned officers of the Army and Navy preference in appointments to civil-service positions. To Civil Service Committee. (p. 8610.)
 16. BUILDINGS AND GROUNDS. H. J. Res. 236, by Rep. Randolph, W. Va., providing for the continuance of the tax-exempt status of certain property in D.C. when used and occupied by any department, agency, or instrumentality of the U.S. or by the American Red Cross. To District of Columbia Committee. (p. 8610.)
 17. HIGHWAYS. H. Con. Res. 81, by Rep. Robinson, Utah, providing that the war emergency has been relieved to an extent which will justify proceeding with the highway construction program under the Federal-Aid Highway Act of 1944. To Roads Committee. (p. 8610.)
 18. VETERANS. H. R. 3981.

ITEMS IN APPENDIX

19. REGIONAL AUTHORITIES. Rep. D'Ewart, Mont., inserted a Miles City Daily Star editorial criticizing certain MVA and TVA proponents (p. A4116).
Rep. Curtis, Nebr., inserted a Republican Valley Conservation Assoc. resolution opposing an MVA (p. A4111).
20. ELECTRIFICATION. Sen. Hoey, N.C., inserted a Rocky Mountain, N.C., "Evening Telegram editorial which "corrects the misleading and erroneous statements" in the Rural Electrification News (pp. A4104-2).

for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, certainly the Army is laying itself open to a great deal of justifiable criticism. I read a portion of a letter which I received this morning.

My husband will finish his basic at Camp Blanding, Fla., within the next few weeks. He will get a 10-day furlough and then report to Fort Meade. His company officer says he is going overseas with the Army of Occupation. We have six small children, the youngest one being 4 weeks old. I am not the only mother wondering what is going to be done with the fathers of their children. I also have five brothers in the service. One has made the supreme sacrifice.

If this House does not take action public resentment will finally force it to do something about the way the Army is handling these matters.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. SPRINGER asked and was given permission to extend his own remarks in the RECORD and to include therewith an article written by Mr. Joseph Leib on the so-called pauper's oath and to include therewith a portion of a letter and two resolutions.

Mr. McDONOUGH asked and was given permission to extend his own remarks in the RECORD and include a resolution recently adopted by the City Council of the City of Los Angeles concerning the establishment of a branch of the Naval Academy in southern California.

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an address delivered by him in his home city of Royal Oak, Mich., on Labor Day.

RATIONING OF BEEF IS UNNECESSARY

Mr. REES of Kansas. Mr. Speaker, I have heretofore called the attention of the Department of Agriculture and the OPA that in my opinion, which I am sure is shared by a great number of people of this country, the time has long since passed when beef should be removed from point rationing. They waited too long before they got around to the question of lifting slaughter quotas. That should have been done long ago. The big packers insist there are too many cattle going to market, and yet small concerns are not allowed to slaughter to capacity.

Now, then, let us lift rationing and allow the meat to be sold in the market. Right now is when the great numbers of cattle are going to market. Let me illustrate. There are on the 12 principal markets today—on just 1 day, mind you—150,000 cattle that must be sold. During last week 258,000 cattle were sold on these same markets, and 2 weeks ago there were 287,000. Most of this livestock is composed of beef cattle. We are told that the packing houses hardly have room for livestock coming to market. The stockyards are filled to capacity. The Army has cut down its re-

quirements. In addition to cattle we have the usual run of hogs, sheep, and other livestock. The cattle market is lower than it was 3 or 4 weeks ago. Yet, we are still rationing beef.

I say it is high time that beef be taken off the rationing list, and let the people buy as much of it as they need. I am informed these agencies say they are "looking the situation over." The time to act is now, not next year or next month.

DEMOBILIZATION OF THE ARMED FORCES

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is their objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I wish to endorse the remarks of several Members upon the subject of demobilization of the armed forces. The people of the country are not going to be satisfied unless those boys who have served overseas for long periods of time are promptly released from the armed services. They want out and their families want them home. They richly deserve discharges. Any man who is not needed should be released at once. Cut the military red tape and send the boys home.

Another matter calling for prompt action by the House is the passing of a bill abolishing daylight saving time. The farmers are not going to be patient in waiting for that any longer. Farmers did a heroic job for four long years under severe handicaps. They produced food in great abundance. Probably there never was any good reason for daylight saving legislation. Now there is no excuse for continuing it a single day. Iowa Members of the House sponsored a bill for its repeal months ago. The House must act promptly. No delay will be accepted.

While I am on the subject, may I say there are communities of as many as 5,000 people who have but one doctor. The Navy and the War Departments must let some doctors out to take care of the sick folks in those communities. The armed services are holding practically all available able-bodied doctors and the folks at home are suffering and want physicians in their communities. In some cases there is scarcely more than one doctor in a whole county. Some doctors have been working as much as 14 hours a day. Without wasting time in argument and debate let's ask for the discharge of all soldiers whose services are not imminently required.

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his own remarks and include therein a statement by Mr. Joseph Leib, service officer of the Vincent B. Costello Post of the American Legion, and a resolution adopted by that post.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include an extract from the sixth annual address by President Woodrow Wilson to a joint session of the Congress on December 2, 1918.

Mr. D'EWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Miles City Daily Star.

Mr. RIZLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a copy of a letter written to the President of the United States.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. HOBBS asked and was given permission to extend his remarks in the RECORD in two particulars and to include an editorial in each instance.

MINIMUM AGE LIMIT FOR SERVICE IN THE ARMY AND NAVY

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I have just introduced a bill to raise the minimum age limit to 21 years, for service in the Army and Navy under selective service. Also to exempt from the service married men, regardless of age, with families of one or more dependent children. I have directed a letter to the President of the United States urging him under his authority as Commander in Chief and under the War Powers Act to immediately suspend the draft covering men in those two categories until such time as Congress may pass appropriate legislation on the subject.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

FIRST TEST EXPLOSION OF THE ATOMIC BOMB IN NEW MEXICO

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks and include therewith two items.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

[Mr. FERNANDEZ addressed the House. His remarks appear in the Appendix of today's RECORD.]

DISCHARGE OF SERVICEMEN

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a copy of a letter I have addressed to the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix of today's RECORD.]

VICE ADMIRAL McCAIN

Mr. IZAC. Mr. Speaker, I ask unanimous consent to address the House for

1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Speaker, Admiral McCain was buried this morning. I want to pay tribute to his memory. He was one of the finest type of naval officers that the Naval Academy has ever produced. I have known him for many years. He was good on the sea, in the air, and under the sea. I would like to tell the Members this little anecdote. I think it is typical of the man. He was partly responsible for the system of promotion by selection that we now have in the Navy. He told me one day, "It will probably get me, but I still think it is right."

Admiral McCain has a wonderful war record. The Japanese will never forget his operations in the Pacific. We are all sorry to hear of his untimely death. We in San Diego especially deplore his early passing and offer our heartfelt sympathy to his bereaved family.

ABUSE OF AIR TROOPERS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to include in my remarks a newspaper item.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

[Mr. WEICHEL addressed the House. His remarks appear in the Appendix of today's RECORD.]

IMMEDIATE DISCHARGE OF VETERANS WITH 2 YEARS SERVICE

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, the mothers and fathers, brothers and sisters, and wives of the soldiers have shown great courage, great patience, and the very highest degree of patriotism throughout this great world-wide conflict. I believe it is only justice now that the Army should take extraordinary measures to demobilize these soldiers.

Unless Congress takes immediate action to that end to urge and insist upon it I shall introduce a bill that all servicemen in all branches of the service who have served honorably for 2 years shall be discharged.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of the business on the Speaker's desk and such other special orders as have heretofore been entered, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CANCELLATION OF ORDER L-24 CONTROLLING LUMBER AND CONSTRUCTION

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a newspaper article, a telegram, and some correspondence.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. MICHENER addressed the House. His remarks appear in the Appendix of today's RECORD.]

PEARL HARBOR INVESTIGATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time tomorrow to consider in the House as in the Committee of the Whole, Senate Concurrent Resolution 27; that general debate shall continue for 1 hour, the time to be equally divided and to be controlled one-half by the gentleman from Illinois [Mr. SABATH] and the other half by the gentleman from Illinois [Mr. ALLEN].

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not, I simply wish to point out that this request reserves all rights of amendment of the resolution but simply expedites its consideration by not referring it to the Rules Committee.

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman tell us what this resolution is?

Mr. McCORMACK. I am very glad the gentleman asked that question. It is the resolution in connection with the investigation of the Pearl Harbor attack.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

CALL OF THE HOUSE

Mr. PRIEST. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 141]

Abernethy	Carnahan	Dworshak
Andersen,	Case, S. Dak.	Elliott
H. Carl	Celler	Elsaesser
Anderson,	Chapman	Engel, Mich.
Calif.	Chipperfield	Engle, Calif.
Bailey	Clark	Feighan
Baldwin, N. Y.	Clements	Flood
Barrett, Pa.	Clevenger	Fogarty
Barrett, Wyo.	Coffey	Fuller
Barry	Cole, N. Y.	Fulton
Bates, Mass.	Colmer	Gary
Beall	Corbett	Gathings
Bennet, N. Y.	Courtney	Gavin
Bishop	Crosser	Gerlach
Bolton	Curlley	Gibson
Bradley, Pa.	Daughton, Va.	Gillespie
Brumbaugh	Delaney,	Gorski
Burgin	John J.	Gossett
Butler	Douglas, Ill.	Grant, Ala.
Campbell	Drewry	Gwinn, N. Y.

Gwynne, Iowa	Lane	Roe, N. Y.
Hagen	Latham	Rooney
Hale	Lea	Ryter
Hall,	LeFevre	Savage
Edwin Arthur	Lynch	Shafer
Hall,	McGehee	Sharp
Leonard W.	McGlinchey	Sheridan
Halleck	McMillen, Ill.	Simpson, Ill.
Hand	Mahon	Simpson, Pa.
Hare	Marcantonio	Slaughter
Hart	Mason	Snyder
Hays	Morrow	Somers, N. Y.
Hebert	Miller, Calif.	Starkey
Heffernan	Monroney	Stefan
Hendricks	Morgan	Stevenson
Herter	Mundt	Sumner, Ill.
Hinshaw	Murphy	Summers, Tex.
Hoeven	Murray, Tenn.	Taber
Holmes, Wash.	Murray, Wis.	Thom
Hope	Norrell	Thomas, Tex.
Horan	Norton	Tibbott
Huber	O'Brien, Ill.	Tolan
Hull	O'Brien, Mich.	Torrens
Jackson	O'Konski	Towe
Jarman	O'Toole	Vursell
Jennings	Pace	Weiss
Johnson, Ind.	Peterson, Fla.	White
Johnson,	Pfeifer	Wickersham
Luther A.	Phillips	Wilson
Jones	Powell	Winter
Jenkman	Powers	Wolcott
Kefauver	Rabaut	Wolverton, N. J.
Kelley, Pa.	Ramey	Wood
Keogh	Reece, Tenn.	Woodhouse
Kerr	Reed, Ill.	Woodrum, Va.
Kilburn	Rivers	Worley
King	Robertson,	Zimmerman
Kunkel	N. Dak.	
LaFollette	Rockwell	

The SPEAKER. Two hundred and sixty-five Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF SURPLUS PROPERTY ACT OF 1944

Mr. MANASCO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 3907, to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 3907, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Alabama [Mr. MANASCO] is recognized for 1 hour, and the gentleman from Ohio [Mr. BENDER] is recognized for 1 hour.

Mr. MANASCO. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. MANASCO. Mr. Chairman, the purpose of the bill H. R. 3907 is to change the board which was created under the Surplus Property Act of 1944 to a single administrator. It will be remembered that the House, by an overwhelming majority in August of last year, voted to provide for a single administrator in the administration of the Surplus Property Act. When the members of the conference committee met we had long and extended meetings. One of the major battles in conference was over whether or not we should administer this act through a board or by a single adminis-

trator. After staying in conference for 2 or 3 weeks, the House conferees finally agreed to a board. I think it is fair to say that the position of the House has been vindicated by subsequent experience.

At the present time I know of no one who is opposed to the administration of the Surplus Property Act by a single administrator. On of the most unusual things I have seen in my experience as a Member of the House was to receive a letter on August 28 signed by all three members of the Surplus Property Board urging our committee to pass legislation conferring administration of the Surplus Property Act on a single administrator. You do not usually see men urging legislation that will put them out of jobs. I think it is a very salutary condition in the country today.

One of the statements made in that letter was that the immediate task is not primarily one of declaring policy, but one of administration. We all realize, of course, that the existing laws on surplus property disposal need amending, need amending badly. Mr. Symington, the Chairman of the present Board, came to our Committee and told us that he had not been in office long enough to fully familiarize himself with the problems involved. In the past few weeks many Members have spoken to me about amendments to the Surplus Property Act. We are going to hold hearings within the next 3 or 4 weeks, for it is absolutely essential if we are to get this program of surplus property disposal going that some amendments be made at an early date. At the present time the War Department is declaring surpluses at the rate of about \$100,000,000 a day.

The program will probably be more than that in the next 2 or 3 months. We must have some amendments to the Surplus Property Act if we hope to dispose of all of these surpluses at a time when we can get the most money out of them to be applied to our staggering war debt.

It is important for the membership of this House to begin studying now some of these amendments. We are going to be overwhelmed by certain pressure groups to give away a lot of these surpluses and it is most important that we begin a study now so that we will know something about the economic impact of gifts. It is important, also, that we start a study as to removal of some of the restrictive provisions in the act. In view of the primary objective, we should always keep in mind in the disposition of our surplus goods, jobs for returning servicemen and jobs for the war workers who have been put out of work through cancellation of war contracts, for if we destroy industry we destroy jobs.

It is also important that we give consideration to a proper system of distribution. Some people advocate distribution by sale to individuals. If we do that it will be impossible for people who live in rural districts, such as I represent, to get anything.

Mr. Chairman, I will not use any further time because I do not think there is much opposition to the pending bill.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I favor this legislation substituting one more administrator for the present board, but I rise at this time to get some information. I would like to know, first, the aggregate amount of surplus property held today by the United States.

Mr. MANASCO. That question is almost impossible to answer. I have heard that we have from fifty to one hundred billion dollars' worth of surplus property.

Mr. ROBSION of Kentucky. May I inquire how much of this surplus property is in Europe? I know the gentleman cannot give the exact amount, but approximately the amount.

Mr. MANASCO. We have no way of knowing how much is in Europe.

Mr. ROBSION of Kentucky. Has not the gentleman's committee gone into that subject and inquired as to the amount of this surplus property and where it is located? I mean in a general way so that we may get some idea.

Mr. MANASCO. I may say to the gentleman that I made a trip to Europe and I saw quite a lot of our property over there. A lot of the property is in tanks, combat aircraft, guns, and so forth that certainly would have no sale value in this country.

Mr. ROBSION of Kentucky. I saw a newspaper report indicating that there were about 550,000 motor vehicles in Europe, perhaps 45,000 railroad cars and 2,000 locomotives. Can the gentleman or his committee give us any information as to what disposition is likely to be made of this great quantity of surplus property in Europe?

Mr. MANASCO. I do not know what may be done about that. Personally I believe if we bring all those motor vehicles back to this country, as well as all of the locomotives, we will knock millions of Americans out of jobs.

Mr. ROBSION of Kentucky. Do we plan to give that away?

Mr. MANASCO. No, we certainly do not.

Mr. ROBSION of Kentucky. I have seen some information in the press that we plan to give it away.

Mr. MANASCO. Of course, we have already given away several billion dollars' worth of property through lend-lease.

Mr. ROBSION of Kentucky. What I am driving at is this: We have complimented ourselves very much over the proposal that we have never had lend-lease. It seems to me from what I can see in the press that we are substituting two other things, namely, we are going to make loans of billions of dollars which some of our allies will forget in a short time, and then we are going to dispose of this surplus property, perhaps giving it away or disposing of it on credit or at such small sums that it will amount to very little so that in the end we will not gain anything by stopping lend-lease. We will likely give away perhaps more than we would under lend-lease.

Is there anything in that suggestion or not?

Mr. MANASCO. I doubt that very seriously because under the terms of the Surplus Property Act this property must be sold.

Mr. ROBSION of Kentucky. Yes; it must be sold.

Mr. MANASCO. If the European Governments have something to purchase it with.

Mr. ROBSION of Kentucky. Do we have to sell it for cash or credit?

Mr. MANASCO. Cash or something that can be converted into cash.

Mr. ROBSION of Kentucky. Many of you may remember that after the other war we found ourselves with \$2,400,000,000 worth of surplus property in France. This was made up of millions of pairs of shoes, millions of pounds of hams and bacon, 24,000,000 pounds of sugar, millions of yards of good woolen cloth and blankets, hundreds of thousands of motor vehicles, and, of course, great quantities of other staple materials.

The French Government threw every obstacle in the way of our Government to ship any of this surplus property to the USA. In fact they made it almost impossible for us to ship it back without loss and our Government was induced to sell all of this property to the French Government for \$400,000,000—16 $\frac{2}{3}$ cents on the dollar. We took the note of the French Government in that amount, payable in 10 years. We made a final settlement of war debts with the French Government. We greatly reduced it in amount. We gave them 62 years to pay the debt, at an interest rate of 2 percent. The French Government insisted that we include this \$400,000,000 note that they had given us for this surplus property, and then they repudiated the whole thing and they got our surplus property for nothing.

We now have perhaps one hundred billions of surplus property scattered all over the earth.

Tens of billions of this property are in Europe. This surplus property is made up of cured meats, canned fruits, canned and dehydrated vegetables, sugar, millions of pairs of shoes, millions of yards of good cloth, and thousands of other staple and useful articles, including, as was pointed out above, more than 500,000 motor vehicles, thousands of railroad cars, 2,000 or more railroad locomotives, and perhaps 200,000 or more of railroad steel rails, and bales of telephone wire, thousands of telephones, and almost every conceivable useful article.

We have other billions in Asia and Africa.

The disposition of this surplus property presents the most stupendous problem that this or any other nation has ever handled. Congress and the administration should scrutinize constantly the disposition of this enormous amount of property. Will it go, as did our surplus property, to France after the other war? It represents one hundred billion of the tax and bond money of the American people—in fact, it represents approximately \$700 on an average for each and

every man, woman, and child in this country.

If our officials are not vigilant, a greater part of it will disappear or will be transferred to nations and groups who will not in the end pay for it. This surplus property should be carefully disposed of and a fair consideration received for it and the money applied to our enormous national debt and a lot of it that is useful to the American people should be brought back to this country.

The American people applauded the statement of the President that we were stopping lend-lease, as the war is over. I stated at the time—and am still of the opinion—that in place of lend-lease we will give away outright or turn over for worthless securities billions of this surplus property, and that we will loan billions to the various countries of the world, but no part of the loans will ever be repaid, and, therefore, as we close up one bunghole, there will be two more bungholes through which will flow the bond and tax money and hard earnings of the American people. Of course, there will be other holes besides these in the American barrel.

There is another danger in the disposal of this surplus property. We have seen evidence for months now that much of this property is getting into the hands of speculators who buy it in great quantities at much less than its value and many fortunes have been, are, and will be made out of our surplus property. It affords one of the greatest fields that we have ever had for graft and fraud.

The Congress and administration must constantly keep in mind the fact that this property belongs to the American people. They put it up to help the Allies and ourselves to win the war, and none of it should be disposed of without the American people receiving value received.

It is hoped that the single administrator of proven character, experience, and ability will be better able to administer effectively the surplus-property law and the disposal of this property in a just, fair, and honest way than to leave it to a board. The members of the board themselves have stated that, in their opinion, the single administrator can and will more efficiently and effectively carry out the provisions of our Surplus Property Act than a board has done or could do.

(Mr. ROBSION of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. MANASCO. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, the House has gone on record respecting this bill. The provisions are few and simple. It is a satisfaction for many of us who undertook until the very last to retain the House provision when the surplus property bill was passed in 1944, that the members of the Surplus Property Board as well as the President of the United States have vindicated our position. When the surplus property bill was passed last year the House provided for a single administrator. It will be recalled that the Senate bill provided for a committee for some seven members, and after protracted conferences finally a

small board, consisting of a chairman and two members, was adopted as a compromise.

The pending bill will substitute a single administrator, recommended by the President of the United States, and as the chairman of our committee has said, an unprecedented situation obtains, and the other members of the Board appointed something like a year ago, join in that recommendation.

The bill provides that the appropriations that have been made for the Surplus Property Board are made available to the Administrator. The regulations that have been adopted will be continued with power in the Administrator to adopt other and new regulations. These regulations will be continued until the Administrator adopts new regulations.

Mr. Chairman, there has been much criticism of the Surplus Property Act as we passed it last year, and many amendments have been offered. It is most difficult legislation to pass. But may I say in just a word for the satisfaction of those of us who have been interested in this legislation and have endeavored to promote it and effect it, that we passed this bill last year and the President approved it on October 3, but it was after the turn of the year before the Chairman was appointed.

The bill provides for reports of the Board and for recommendations. The Chairman, former Senator Gillette, appointed after the first of the year, resigned and stated that the Board could not function properly or efficiently. The present chairman of the Board was appointed just as the House and the Senate recessed the latter part of last July. He appeared before the committee. His statement is found in the hearings, that are available. Mr. Symington impressed me, as I am sure he impressed other members of the committee, as being a most capable and efficient administrator, vigorous and determined to administer this act and to dispose of surplus property as he can best interpret the congressional intent. I think he has made a most excellent administrator.

Secondly, notwithstanding the defects of the existing Surplus Property Act, may I emphasize that, after all, there is probably more in the administration than there is in the terms of the act. We have provided for priorities to the Federal Government, for preferences to hospitals and similar institutions, and for giving veterans and small businessmen, former landowners, preferences. But after all has been said and done, while there are undesirable provisions in the bill, by and large, its success depends upon administration because, finally, after providing these priorities and preferences, the bill stipulates that whenever the property had been finally disposed of, the instrument of transfer shall be proof of clear title, so that whatever the differences and whatever the conflicts, a capable, thoroughgoing administrator can read through the words to interpret the congressional intent. Whenever the deal is finally disposed of, the citizen or the institution purchasing will obtain a valid title.

Of course, there has not been a great deal of surplus property disposed of.

There was not a great deal of property declared surplus prior to the Japanese surrender. The question was raised here with respect to the trucks and other property in the European theater. The Surplus Property Act does not interfere with the disposition of property by the theater commander during the progress of the war. It was difficult to say whether or not we would use those trucks, whether or not we would use that surplus property in the Far East, whether it would be brought back to the United States, or whether it would be transported through the Suez Canal before VJ-day. Until the Jap surrender there were no material declarations of surplus property by either the Army or the Navy. However, as our chairman has indicated, since the surrender surpluses are being declared by the millions of dollars. It is imperative that this bill be passed in order that for the present there may be an efficient administration of the act and in order that the Congress of the United States may as provided by the act, have the recommendations of the Administrator as to needed amendments and as to clarifications of the act. In my judgment, this proposed legislation should be promptly and unanimously passed.

I extend to say that with the surrender of Germany and Japan immense quantities of property will be declared surplus, and the disposal of the surplus will be promoted by a single administrator and by efficient administration. The Congress and the country may be assured that Mr. Symington is honest, capable, efficient, and that he intends to dispose of the surplus property in accordance with the intent of the Surplus Property Act and as provided by the act while such property is needed by the civilian population of the country.

The House will remember that by Executive order a Surplus Property Administration was established in May 1944. Under the Executive order property aggregating approximately \$66,000,000 was disposed of through September 1944. From October 1, 1944, through July 30, 1945, property aggregating approximately \$166,000,000 was disposed of.

Thus far the price received for the property sold was approximately 52.7% of the cost. Following the First World War surpluses costing perhaps \$3,700,000,000 were sold for about one billion five hundred million.

It is variously estimated that surplus property will represent a cost of from seventy-five to one hundred billion dollars. Much of it will never be sold. It consists of airplanes and munitions. Personally, I would hazard the statement that we will never realize more than \$10,000,000,000 in the disposal of surplus property.

I would like to emphasize that in the disposal of surplus property a great deal depends upon the administrator and the administration. Amendments will be considered. Mr. Symington, if reappointed Administrator, has promised to submit recommendations for amendments and clarifications within 30 or 60 days. He is studying the whole problem. His recommendations will be most helpful to Congress. In the meantime, without divided authority, as the single ad-

ministrator under the act, the disposal of surplus property will be facilitated, hence the importance of passing promptly the pending bill.

The House will recall that under the Surplus Property Act combat vessels cannot be disposed of. The owning agencies declare the surplus. The great surpluses will be Army and Navy goods. The Army and Navy must declare these surpluses. I repeat that the Navy cannot declare any combat vessels surplus. Sooner or later Congress will be required to pass legislation to require, not only the Army and the Navy, but other owning agencies to declare surpluses. The act provides that the Administrator shall promptly report to Congress when he has been advised that any owning agency has property that is surplus to its needs that has not been declared to be surplus. Owning agencies are loath to declare surpluses. The tendency is to hold it. It will not be long before legislation to compel declarations must be passed.

Again it is important to remember that the Surplus Property Administration does not actually handle any property. It provides for the care and handling and for the transfer of property. It provides regulations. It lays down policies to effectuate the act. It names disposal agencies.

It has designated some 8 to 10 disposal agencies. Principal disposal agencies are the RFC and the Department of Commerce. The RFC handles producers goods, including capital goods and tools. They have constructed warehouses. They have agents in charge. They keep samples of property. But it is not fair to say that they conduct department-store activities. They make available to consumers, as contemplated, the surplus property. It is necessary for the property to be transported so as to be available to all regions of the country. It is warehoused, it is up for inspection, it is on exhibition. There are something in the neighborhood of 24 or 36 of the regional offices, for which Congress has appropriated about \$20,000,000.

On the other hand, consumer goods, including trucks and automobiles and road machinery, are handled in the Department of Commerce. They, too, have regional offices.

The act requires that there be wide distribution, that the usual channels of trade be used, that profiteering be prevented, that unusual and excessive profits be prevented, that fair values be obtained for the property, and that postwar employment be promoted.

An essential part of the administration consists of the policies adopted to prevent profiteering, to promote wide distribution, and to enable consumers to get the benefit of the property sold without the payment of excessive profits. To prevent profiteering the Administrator might adopt a policy limiting profits.

The public is kept advised as to the activities of the Board or Administrator. The regulations are required to be published in the Federal Register. Quarterly reports are required to be submitted with recommendations of the Administration as to amendments and clarifying legislation. Disposal agencies are required to keep inventories. The Administration is

required to submit reports covering the cost, and the location of plants. The antitrust laws apply. There are restrictions as to disposal of plants, but within the intent of Congress plants may be disposed of and they should be disposed of so as to promote the national economy.

It is fair to say that the Board did submit its first progress report on January 3, 1945, as required by section 24 of the act. The Board submitted its second progress report on May 28, 1945, and it recently submitted its third quarterly report. It is also fair to say that the Board submitted a report as required by section 19 covering plants, but the divergence of views of the members of the Board, the differences of opinion among the members, have resulted in an inability to come to concrete recommendations. The problem was not acute. Following VE-day it was thought that much material would be needed in the Far East, but now following VJ-day, the surplus problem is acute, and the proper disposal of surplus war property is a major problem. The domestic economy of the country might easily be wrecked by an unsound policy with respect to the disposal of surplus property.

The immediate task is to strengthen the Administration, to provide for clarifying legislation as soon as the recommendations of the Administrator are submitted, and to promote both of these objectives the pending bill should be promptly passed.

(Mr. WHITTINGTON asked and was given permission to revise and extend his remarks.)

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this bill creating a single administrator for the disposition of surplus property is a wise and timely piece of legislation. If we want to help in the disposition of surplus property and get it to the people of this country now while it is so badly needed, the more quickly we put this bill into effect the better it will be for a wise, wide, and quick distribution of property which the people of this country are very anxious to receive and which the Government is very anxious to dispose of. The Government is handicapped in the disposition of this surplus property because of the fact that we have a three-man board. The Board recommended an individual Administrator. Every time a decision is to be rendered, the Board must meet and they must have a record of their proceedings and then give instructions. This is a loss of time. In the ordinary processes of business we have a man who is capable of saying yes or no. He is held responsible for decisions. The Government should do the same thing, especially when it is going to benefit everybody in connection with the distribution of surplus property. The Government will get action and receive more for its surplus property.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I agree with the gentleman that we ought to have a single administrator and, there-

fore, I am in favor of the bill. The gentleman speaks of this property being brought back here and distributed to the American people and made available for them to purchase and to use. Has the gentleman any information that the tens of billions of dollars' worth of surplus property scattered over Europe, Asia, and Africa will be brought back here and be put up for disposal to the American people?

Mr. RICH. I do not think that is going to be the case. I do not think there is anything going to be brought back from foreign shores for disposition in this country. I think the primary purpose of this act is to give permission for immediate, quick, and satisfactory disposition of surplus property now in this country. In view of the fact that we have great stores of supplies all over the world, in Europe, Asia, and Africa, and we know that practically all the countries of the world are clamoring and are anxious to get that surplus property, it would be very foolish for us to have it returned to the United States and disposed of here and eventually perhaps taken back to those foreign countries who are so anxious to receive it. We should sell all merchandise in foreign countries to foreigners. I do not have any idea from talking to the gentleman who I believe will have charge of this, and he seems to me to be a mighty fine fellow; I believe he is wise and conscientious and will do a good job, however, I do not feel at all that anything in these foreign countries will be brought back here by the Administrator.

Mr. WHITTINGTON. In that connection, if my colleague will yield to me, it is safe to say that the Surplus Property Act of 1944 provides for the sale of this property abroad and if it is bought by UNRRA or any other agency, it has to be paid for out of the funds of that agency. It is also fair to say that the Surplus Property Act provides if that property is sold, as it may be, abroad, it cannot be reimported into the United States. In other words, it will not be possible for this surplus goods to be sold cheaply and be brought back here to the United States to compete with our manufacturers at home.

Mr. RICH. I believe the gentleman from Kentucky thinks the same as I do in that respect. We want the surplus property sold. We do not want it given away. We are of the old school which believes that the people who are getting things in this country should pay for them and that the people who get things in foreign countries should also pay for them in one way or another. That will help get the money and certainly be good for the Treasury. It's empty now.

The United States has reached a point in its national life where we have an indebtedness of about \$270,000,000,000 and the people of this country want relief from taxes. But as long as we give things away, and we have been doing that for 13 years, until we have given practically everything away that we own, then the gentleman from Kentucky and I want to know that this administration is through with handouts of everything to everybody for nothing. That is what he is interested in and that is what I am inter-

ested in. We believe that they ought to work if they want to get those things. We do not want to cancel foreign debts nor do we want to continue lease-lend as a gift any longer. We want to do business on a good sound business basis, for that reason we are speaking for this bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MANASCO. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, the purpose of this legislation is to do just exactly what this House wanted done when the original bill was passed. By a very large majority the House voted for an administrator rather than a board. When the bill went to the Senate that body provided for a seven-man board. When we went to conference your conferees stood out for an administrator. The Senate insisted on a board. In the end we were required to compromise on a three-man board. I said then it was a mistake, and I say so now.

I challenge any Member of this House to show a repetition of the following action: The members of a board, all three of whom may lose their positions, and at least two of them will certainly lose their positions, came before a committee of this House and said that a board is not workable, and that they must have an administrator. That is a recommendation we cannot overlook and I think this House should unanimously pass this legislation setting up an administrator rather than a board.

As I interpret the rules of this House, no other question can be considered in connection with this legislation as it is drawn, other than whether or not you want to have a board administer the Surplus Property Act, or whether you want an administrator to administer the act. That is the only question involved. I do not think it is in order for any amendment to this bill other than one that would affect either a board or an administrator.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my good friend from California.

Mr. VOORHIS of California. As I understand the situation it is the same as the gentleman has explained it. However, there is one matter which in my judgment could be taken care of largely by administrative action under the act as it is now written, and concerning which I found a great deal of dissatisfaction when I was home. That is the question of enabling the veterans of the war to purchase directly from the Surplus Property Administration some of the things they are anxious to purchase. In many instances they have had a great deal of difficulty in being able to do that. I would like to ask the gentleman whether there is not something that can be done to simplify and facilitate such purchases direct by veterans.

Mr. COCHRAN. In the hearings before the committee many questions were asked the Chairman of the Board. Some of them were with reference to veterans. I can tell the gentleman that the present Chairman, Mr. Symington,

is not satisfied with the administration of the law with reference to veterans nor with the regulations. It so happens that I had a case myself which I called to his attention. He could not realize that any official of the Government had made such a statement to a veteran as was claimed by this ex-serviceman. I informed him that I had sent him a letter the day before. He said he would read the letter. I received a reply which indicated that it was not in keeping with the law or regulations as they now exist and no one had a right to make such a statement to that veteran with reference to an automobile that he wanted to purchase, which was absolutely necessary for him, in order to assume the position that he held at the time he went into the service 3½ years before. I can tell the House if Mr. Symington is named Administrator, and I hope he will be, he will change the present regulations affecting veterans.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend from Michigan.

Mr. HOFFMAN. Do I understand you have some assurance now that the other body is willing to go along with this legislation?

Mr. COCHRAN. I have no assurance of any kind whatsoever with reference to what the other body is likely to do.

Mr. HOFFMAN. If my memory serves me correctly this is what we tried to do some time ago when this bill was originally passed.

Mr. COCHRAN. I remind the gentleman that I stated that at the outset of my remarks.

Mr. HOFFMAN. Are we just making idle motions or have we some hope of converting the conferees?

Mr. COCHRAN. In view of the recommendation of the President, in view of the statement of the former chairman and former Senator, Mr. Gillette, and in view of the recommendation of the three members of the board, I cannot see how the Senate can do anything but go along with this bill.

Mr. HOFFMAN. There is one other thing. It seems to me I have heard several times that Republicans were opposing every constructive suggestion. Does the gentleman know of any Republicans opposing this measure?

Mr. COCHRAN. No; Republicans do not oppose everything constructive by any means, but some constructive legislation, at least I felt it was constructive, has been opposed.

Mr. HOFFMAN. Adjournment, or something like that they would oppose.

Mr. COCHRAN. Some constructive suggestions they did oppose.

Mr. HOFFMAN. Does the gentleman know of any Republican throwing any monkey wrench into this bill?

Mr. COCHRAN. I do not. I believe they are all cooperating 100 percent and we appreciate that cooperation.

Mr. HOFFMAN. Then can we use that as a testimonial from the gentleman at election time?

Mr. COCHRAN. It will be a pleasure for me to commend the Republicans every time they support meritorious leg-

islation, and you can use my remarks any time you desire.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend, the gentleman from West Virginia, a member of the committee.

Mr. RANDOLPH. The colloquy between the gentleman from California [Mr. VOORHIS] and the gentleman from Missouri, a very distinguished member of the committee which is handling this legislation, touched on the official regulations which the Board or Administrator might issue which would improve the relationship with veterans and their power to acquire this property. The gentleman will recall that the chairman of the committee, the gentleman from Alabama [Mr. MANASCO] in almost the first question he propounded to Mr. Symington asked what we might expect in the way of regulations that would control this situation; and Mr. Symington, according to my memory, said that within 2 weeks, possibly 3 weeks, regulations to fit these problems would be brought forth. The gentleman remembers that, does he not?

Mr. COCHRAN. That is my recollection of what he said. In fact, it is what he said.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Michigan.

Mr. HOOK. I was a little surprised by the colloquy between the gentleman from Michigan and the gentleman from Missouri. As I understand, the substitution of a single administrator in place of the three-man board sets up a sort of central authority; in other words, centralizing authority in one man. I am just wondering whether or not the gentleman from Michigan is going along with us now on the question of the centralization of authority.

Mr. COCHRAN. I may say that the gentleman from Michigan [Mr. HOFFMAN] is a member of the Committee and indicated in every way during the hearings and in executive sessions as well as he has indicated on the floor of the House that he is with us 100 percent in supporting this legislation.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend from Mississippi, also a member of the committee.

Mr. WHITTINGTON. Is it not true that the provisions of the Surplus Property Act are mandatory in that the matter of veterans' preference shall be handled by regulations?

Mr. COCHRAN. That is true, and regulations carrying out those provisions should be written.

Mr. WHITTINGTON. And that the present chairman, as the gentleman from Missouri said, stated that he had examined the regulations that had been made and he was not at all satisfied with them and proposed to give the matter prompt attention.

Mr. COCHRAN. That is true. I wish to touch on another matter, and I am not saying this because the present chairman of the board comes from my city, but in my long experience here I have

never listened to a witness, especially a man who had only been chairman of a board for a few weeks, come before a congressional committee and make a statement such as he made in reference to the law and the regulations, and show beyond question a perfect knowledge of both the law and the regulations, as did Mr. Symington.

Mr. Symington, I may say, is a rather young man. He came to my city not so many years ago and became head of a great corporation, a corporation that employs thousands of people, a corporation that received from the Army and the Navy every type of award that a commercial house could receive for cooperation in connection with the national defense effort. Mr. Symington's salary happened to be a matter of discussion on the floor of this House at one time when the gentleman from Kentucky [Mr. MAY] chairman of the Committee on Military Affairs, took the floor of the House and criticized the corporation of which Mr. Symington was head. The gentleman from Kentucky said the corporation had increased and doubled the salaries of its officials, and made a number of statements which constituted a severe indictment of that corporation.

Mr. RANDOLPH. Mr. Chairman, I yield the gentleman seven additional minutes.

Mr. COCHRAN. Mr. Chairman, Mr. Symington talked to me over the long-distance telephone. I had never talked to him before, nor had I ever met the man. He told me there was a mistake somewhere—that the charges could not apply to his corporation. I advised him to give a statement to the press denying the charges and send me a copy of the statement. I further suggested that he come to Washington immediately.

He sent me that statement and I appeared on the floor and made a speech as an answer to the chairman of the Military Affairs Committee. Mr. Symington came to Washington immediately, but the chairman had left and our former colleague, now Colonel Faddis, the ranking member, called a meeting of the committee and heard Mr. Symington. At the conclusion of his testimony, the chief investigator of the committee rose and apologized for the statement made by the chairman, took the responsibility, and said that the information used by the gentleman from Kentucky [Mr. MAY] applied to another corporation, not to the corporation of which Mr. Symington was the head. When the committee adjourned after that hearing, Colonel Faddis appeared on the floor of the House and in a 10-minute speech made a public apology for the statement made by the chairman of the committee on information given him which was not correct. It seems the file of another corporation was in the file of Mr. Symington's corporation.

Therefore, I know that Mr. Symington's salary as Chairman of the Surplus Property Board is not one-half of the amount he received as president of that corporation. He is making a personal and financial sacrifice to serve his Government.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I want to agree with the gentleman's statement to the extent of saying that we did have Mr. Symington before the committee practically all of one day and I was very much impressed with the way he handled himself and with the information he gave to the committee. If the President appoints Mr. Symington the Administrator he will get the ball rolling and he will get the surplus property out to the people of this country in a very expeditious manner so that they will get the benefit of it now when the people of the country need it and when we have a scarcity of most of the commodities which will be sold to the American people. Now is the time to do this and I am glad he will head this agency because I have enough confidence in him to believe that he is going to do the job quickly. What we need is prompt action.

Mr. COCHRAN. Mr. Chairman, it is my own personal opinion that there is not a bigger job confronting an official of this Government today than that of disposal of surplus property. Mr. Symington told us that just previously to his appearance before our committee the War Department had declared surplus to the Surplus Property Board \$500,000,000 in consumers' goods and he stated further that the War Department would continue to declare surplus consumers goods at the rate of millions a day. It is his job to get rid of that.

There is in addition to that the defense plants, the great Army camps, the millions of acres of land that we have taken over since the war started. In time this is all going to be declared surplus. Now, Mr. Symington is only the Chairman. They have only about 200 employees. He did not even have a legal adviser.

They do not dispose of anything. They name the disposal agency and the disposal agency must follow the rules and regulations laid down by the Board now and by the Administrator later, if this bill is enacted, as to how to dispose of that property. But here is the situation. If we do not dispose of that property now we will have to put it in warehouses and we will have to keep it because under your law, not a rule or regulation, by later disposing of this property, if you are competing and interfering with private business, or you are causing unemployment, then you cannot dispose of it. So what are you going to do with it? You will have to put it in the warehouses and keep it.

The time to dispose of consumer goods is now, when there is a shortage of such goods on the market, when it is not even available, when it is not being manufactured. If we do it now we are not interfering with private industry and not causing unemployment. So it is my viewpoint to give them what they want and then the responsibility is theirs. The President says that he wants an Administrator. The three members of the Board have said that there should be an Administrator and not a board. The former Chairman of the Board who resigned said only an Administrator can

make the law work. So why not do it now?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York.

Mr. REED of New York. I favor the one-man Administrator as against the Board. I think that that is the only way you can get the type of efficiency that you need to handle this expeditiously.

Bearing out the gentleman's idea in regard to farm trucks, up until recently, at least, if anyone in New York State wanted to get a truck he had to go four or five hundred miles to New York City in order to examine that truck. They could not run the truck. They had to buy it unsight and unseen almost, when they could sell these trucks readily if they were at points within easy access to the farmers. I figure a one-man administrator would decide questions like that and do it quickly. It would mean for efficiency.

Mr. COCHRAN. You will have a businessman, in my opinion, if Mr. Symington is named as Administrator, and I think he will do the job. There was complaint from the farm bloc in reference to the need for trucks, and so forth, because of transportation facilities. What did they do? I saw the action of the Board after he became chairman. They turned over trucks to the localities where they were most needed, to be disposed of in those States. I do not know anything about those trucks.

Mr. REED of New York. Of course, the selling point is New York City where most of the farmers have to go.

Mr. COCHRAN. They should not be in New York City. How did they ever get to New York City in the first place?

Mr. REED of New York. Well, there you are.

Mr. COCHRAN. With proper administration of the act that should not happen.

Mr. REED of New York. They probably were intended to go abroad and were down there at the docks. That is probably the answer.

Mr. COCHRAN. The War Department and the Navy Department have no business assembling their surplus property of that character in a city like New York.

Mr. REED of New York. Well, that is what I am telling the gentleman.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. The fact that the three members of the present Board signed this statement stating that they believed a single administrator would be able to handle this disposal of surplus property to much better advantage than a board in itself shows that the Board realized that a single administrator is much better, and there should be no question at all about the enactment of this legislation.

Mr. COCHRAN. I stated that at the outset and said that it was a most astonishing statement because at least two of them, if this bill is enacted, are certainly going to lose their jobs.

Mr. RICH. That convinces me that that is a good Board and that is the first indication that this is a good bill.

Mr. COCHRAN. When a businessman like the gentleman from Pennsylvania says that, I realize we are going to do something that will be helpful. Let us set up the proper machinery and hold those responsible who administer the law. Under the law they must report to Congress.

The Committee on Expenditures in the Executive Departments is charged with the responsibility of investigating the administration of this law. If an investigation is necessary and if the Congress will set up a proper law, I assure you that I will favor an investigation if the law is not properly carried out.

In conclusion I know a number of Members of this House, and that includes myself, favor rewriting a Surplus Property Act. That will take some time, and it is for that reason alone that this bill is brought in simply to provide for an administrator rather than a board. The question of other changes in the law was discussed at the hearings in executive session. I can say that there seems to be absolutely no objection—in fact, a demand among the Members—that at the first opportunity and in the near future we take up the question of rewriting the act. However, the committee did not feel that we should do that at this time but wait until the new Administrator had an opportunity to find out just exactly what was the matter with the law and what changes he desired to recommend. I say that to explain to the Members of the House why this bill simply provides for changing the law so that an administrator rather than a board will be in control.

Mr. BENDER. Mr. Chairman, I yield 8 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, surely there will not be any opposition in this House to this particular bill. I think it is fair to say that most if not all of us on the committee feel that the Surplus Property Disposal Act should have been revised and revamped and amended a long time ago. Among other things the act sets up certain priorities, and after the property has been made available to those governmental agencies who have the priorities then there is a list of those who have preferences. Only after these have had a chance to buy or acquire the property does it become available for purchase by ordinary individuals or corporations. It has been difficult to get through the priorities and the preferences and with efficiency and speed make the goods available to the general public, where there is larger demand for most of it than there is among other agencies of the Federal Government, and the States and municipalities, and the veterans and the charitable and educational institutions, and so forth.

Personally, I feel that the first and greatest social and economic objective—and these priorities and preferences were set up, in the words of the act, to achieve certain social and economic objectives—is to get this surplus disposed of at the earliest possible moment when the public needs and wants it; when it would absorb

some of the tremendous amount of accumulated purchasing power which otherwise is pushing hard against all price ceilings and threatening inflation; and when it will not be competing with and thereby delaying new production, which alone can give us all the jobs we know we must have.

This is just one of the reasons why many of us wanted to go over the whole matter last spring when it was clear that the act was not functioning as we desired. But I agree with all of the committee that inasmuch as we did not do it some months ago, this particular moment is not the time to start an extensive revision. It would probably take a month to get a bill changing the substantive law through the committees and both Houses and then through conference, and at a time when, as the gentleman from Missouri said, as much as half a billion dollars worth of consumers' goods alone are being declared surplus by the Army and Navy in 1 day. This particular moment when the agency is being overwhelmed because of the war ending earlier than was anticipated, is not the time to go into an extensive revision. We cannot take time out to change the rules, bad though they are, in the midst of the greatest crisis in the whole program.

This bill today is the first step toward sound administration. We do not have three Presidents of the United States; General Motors, or any other corporation does not have three presidents. We have one President, one head. After the single administrator has had a period of a few weeks to get this sudden flood of surplus materials organized, he can come before us and make suggestions based on his experience, and we can take them up and adopt them or not as we see fit, after extensive hearings. I believe it is necessary that the House pass this bill today and give the agency a chance to function. As soon as we know where we are, we can carry on such revision as experience indicates. I repeat, the first social and economic objective ought to be to start getting it disposed of right now.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I gladly yield to my colleague from Minnesota.

Mr. AUGUST H. ANDRESEN. I am informed on reliable authority that there is a large syndicate in the United States picking up most of this surplus material. Does not the gentleman feel that Congress ought to watch this very carefully, so that we can see that this material is generally distributed over the country, and that merchants and others in the country will have an opportunity to get it?

Mr. JUDD. I certainly think that Congress ought to keep its eyes on this very closely. I should say to my friends on the Democratic side that they ought to watch this with an eagle eye because, if it is badly handled and if scandals and graft develop, it contains more political dynamite for them than anything else on the horizon today. Heretofore, the Army and the Navy have been the two biggest factors in our economy. From now on surplus property disposal

is the single biggest thing in the United States from the standpoint of money and materials involved. It affects every single avenue and aspect of our economic life. We have to dispose of this material with maximum benefit to the country as a whole, and that means that rapidity is the first essential because, if it is not disposed of quickly, at a time when we are trying to get full civilian production started and an adequate number of jobs for our soldiers and workers, it will hang over everybody's head as a sword of Damocles. The thing we must have is confidence and assurance, and we cannot have them when there are fifty to one hundred billion dollars worth of goods hanging over our heads.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I am in agreement with the gentleman from Minnesota as to the magnitude of the job and the necessity for doing it promptly. I think the House would like to know, and certainly the Members understand it now, that after World War I we had only several billion dollars of surplus property. After this war, after World War II, the estimates run from 80 to 100 billion dollars of surplus property. So it is a tremendous problem and the recovery percentage-wise is most important, not only to this Congress, but to the Nation.

Mr. JUDD. Does not the gentleman agree that this is not the moment to carry out the extensive revisions of the basic act, which most of us agree are necessary and advisable? And that inasmuch as it was not done before, we have to wait now until we get through this immediate crisis and then make such changes as experience proves advisable?

Mr. RANDOLPH. I think the gentleman is correct.

Mr. GILLIE. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I gladly yield to the gentleman from Indiana.

Mr. GILLIE. May I inquire of the gentleman if the administrator will still have control of prices of any of these goods after the goods leave the Government?

Mr. JUDD. The Administrator does not have control of prices in the sense of saying that this plane is so many thousands of dollars, or that a particular pair of shoes or a certain grade of shoe will cost \$2.50, and so forth. He establishes not price lists, but policies. He and his agency establish general policies and regulations under which the eight disposal agencies carry out the actual selling of the surplus goods. That is, the Department of Commerce disposes of consumer goods; the Reconstruction Finance Corporation disposes of the Government war plants, capital goods, and so forth, the Administrator establishes policies as to whether sale is to be by negotiation or bidding or through normal channels of trade, the percentage of profit permitted, and so on.

Mr. GILLIE. May I ask the gentleman another question along that line?

Is it true, then, that the Administrator will not have charge of the goods after

they are out of the hands of the Government?

Mr. JUDD. The Administrator has no actual charge of the goods. The Army or Navy, or whatever the owning agency is—the Defense Plants Corporation, for example—declares it surplus to the Surplus Property Administrator, and he turns it over to these various disposal agencies. If a disposal agency is not operated properly, he can discharge it and turn the responsibility over to some other agency. He has that over-all supervision. He does not set up the mechanics of a whole new bureau of the Government to act as a sales agency to go out and acquire warehouses, retail outlets, and all those things. Each particular disposal agency sets up its machinery for merchandizing.

Mr. GILLIE. Could the disposal agency sell the property for any price that they wanted it to be sold?

Mr. JUDD. Within the general policies laid down.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As the gentleman has well said, within the policies laid down by the Administrator.

Mr. JUDD. Yes.

Mr. WHITTINGTON. It may well and properly be that the Administrator lay down a policy that will prevent profiteering and set a limitation on the profits.

Mr. JUDD. Certainly. He is supposed to.

Mr. WHITTINGTON. So that the consumer will get the property at a fair price. That is part of the duty of the Administrator.

Mr. JUDD. If he does not include that in his policy making, then he fails in his function as an Administrator.

Mr. WHITTINGTON. In order to prevent profiteering and excessive profits, the Administrator should be authorized to handle that by making regulations under his policy.

Mr. JUDD. Yes; he issues the regulations under which the Department of Commerce, for example, distributes shoes, radios, or whatever it may be.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I shall support this legislation as I supported a similar proposal when this matter was before the House last year. I was somewhat intrigued by the statement of the chairman of the committee, the gentleman from Alabama [Mr. MANASCO] and that is the reason I have asked for this time. He indicated in his statement that it was his understanding that the disposal agencies generally were disposing of surplus property through the normal and ordinary channels of distribution in accordance with the restriction which Congress wrote in the law last year. May I say to the gentleman that I have made quite a full investigation of the operations of surplus property distribution by the Reconstruction Finance Corporation. I have not had an opportunity this summer to make the same investiga-

tion as to the Department of Commerce. I know how the Reconstruction Finance Corporation is operating. I know generally that the Department of Commerce is handling the distribution of its allocated material through the regular channels of distribution, but I also know that the Reconstruction Finance Corporation has set up a program of warehousing through this country involving some 50,000,000 square feet of warehouse space, and that in each of the 24 establishments which they have set up to date, they are employing hundreds of retail salesmen who are canvassing the trade all over the area in which that warehouse is located. You and I or anyone else can go into that warehouse and buy as an individual anything that the Reconstruction Finance Corporation has to sell.

They are not selling their products, if you please, through the normal channels of distribution. They are selling them just exactly as the Fuller Brush Co. sells its brushes. They are establishing throughout this country 23, or 24, or perhaps 50 giant Montgomery Ward sales stores, with hundreds and thousands of salesmen on the pay roll, under civil-service standards, who are beating the bushes in an effort to try to dispose of, to Tom, Dick, or Harry, material or merchandise that has been allocated as surplus to the RFC. I say to you I do not know whether that is a good plan or a bad plan. The manager of the RFC in Chicago told me that the distribution system of this country had fallen down; that they were compelled to resort to this sort of practice because the normal channels of distribution did not absorb the surpluses. So they are selling it in the manner which I have indicated.

I say to you, Mr. Chairman, you were correct when you said we should keep in continuous touch with this matter, because before this is over you are going to see the greatest opportunity for fraud and graft and corruption that has ever existed in the history of this country. It will not do for the Congress to just sit supinely by and pass a piece of legislation and say, "Now, we have done our job. Let the Surplus Property Administrator carry on from here." This is going to require constant effort and application on the part of the Congress if we are going to prevent some of the things happening that will occur from time to time and will live to haunt this administration.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BENDER. Mr. Chairman, I yield the gentleman one additional minute.

Mr. KEEFE. I would like to have the opportunity at this time to give you the benefit of the study I made this summer during the so-called vacation. I went into those warehouses and went in to see the operation, in which I tried to gather together a picture of this surplus-property disposition as far as RFC was concerned. I tell you Members of this House the problem of disposition of surplus property is second only to the problem of winning the war and unless it is properly handled this Congress will feel the whiplash of public opinion for years to come. Under the present program it will take 300 years to dispose of the surpluses now

available. The RFC has already had turned over to it material that was declared surplus in the Civil War, the Spanish-American War, and World War I, and the rate at which surpluses are being turned over from the present war stagger the imagination. There is work to be done if we are to solve this problem.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BENDER. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BENDER. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Chairman, I have been particularly interested in the difficulties which the veterans in my area are experiencing in securing automobiles or other goods which are supposed to have been declared surplus.

I notice that the gentleman from New York [Mr. O'TOOLE] a member of the committee, on page 27 of the hearings attempted to secure some information. The statement which he makes as to the conditions in New York City are borne out in Massachusetts and I presume all over the country. Four thousand veterans filed applications for surplus trucks in New York. Five hundred trucks were sold. Not a veteran secured one. As a matter of fact, I was told of some veterans receiving information which proved to be incorrect when they went to the agencies seeking the opportunity to buy materials such as automobiles.

What strikes me as unusual is the statement of Mr. Symington on page 28 to the effect that if this agency had been set up 2 years ago he might have been in a position to have worked out by this time regulations under which the Government could have been properly protected in the sale of these goods. His statement indicates that the board that has been in operation has not set up a satisfactory system of regulations.

I wish the chairman of the committee would tell us whether or not this is the proper conclusion to place on Mr. Symington's statement.

Mr. MANASCO. To what page does the gentleman refer?

Mr. CLASON. To page 28, particularly Mr. Symington's statement that if it had been set up 2 years ago they could have planned and streamlined and centralized the disposal problem.

The discussion so far today indicates that this law has not operated effectively and that the board which has been set up has not adopted a system of regulations under which our Government is properly carrying out the sale of surplus goods.

Mr. MANASCO. I think that is a fair statement.

Mr. CLASON. The gentleman thinks that is a fair statement.

Mr. MANASCO. Yes; I believe that is the reason why it is imperative that we change the board to a single administrator.

Mr. CLASON. That would be true with regard to the membership of the board; and, therefore, I shall vote for one man in place of three; but on the other hand, it is difficult for me to understand why three good men could not have been picked out for these positions.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mr. BENDER. The reason this legislation is here is to correct part of that; and legislation will be brought forth from this committee within the next 3 or 4 weeks to correct all these things that need correcting. The law is unworkable as it was passed last year.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BENDER. Mr. Chairman, I yield one additional minute to the gentleman from Massachusetts.

Mr. CLASON. I also wish to call attention to page 31, to the statement of Mr. Symington, contained in a letter to Chairman Manasco in which he states that the sale of surplus property made after the First World War resulted in the United States recovering approximately 37 percent of its original cost. On the statement which our chairman has given us here today, that there will be from fifty to one hundred billions of surplus property in the United States as a result of this war, it seems to me this is one of the most important tasks before any committee of this House. I hope we shall be successful in securing amendments to the present law if they are necessary which will result in the establishment of proper regulations. The veterans are entitled to better treatment than they are getting today, and I believe that the public generally feels they are being tossed around in this matter.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BENDER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the entire committee agrees that this law under which the Surplus Property Board has operated needs revision. The Chairman of the Board especially appreciates the fact that it needs revision and that the law as it now stands is unworkable.

This is the first step. The only item involved here today is the abolition of the three-man Board and the naming of a single Administrator; that is all that is carried in this legislation. As soon as a single Administrator is appointed—and most of us on the committee hope for Mr. Symington—who will then come forward with recommendations to make the law workable; and the committee, I understand, will act immediately.

Mr. MANASCO. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby established in the Office of War Mobilization and Reconversion a Surplus Property Administration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$12,000 per year. The term of office of the Administrator shall be 2 years.

SEC. 2. (a) Effective at the time the Surplus Property Administrator first appointed under this act qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become, respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, made, prescribed, or performed before the transfer of functions provided by subsection (a) of this section shall, except to the extent rescinded, modified, superseded, or made inapplicable by the Surplus Property Administrator, have the same effect as if such transfer had not been made; but functions vested in the Surplus Property Board by any such regulation, policy, determination, authorization, requirement, designation, or other action shall, insofar as they are to be exercised after the transfer, be considered as vested in the Surplus Property Administrator.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to add a brief statement to what has already been stated. I feel that our committee, the Committee on Expenditures in the Executive Departments, is under obligation to serve with regard to surplus property disposal much as the Truman or Mead committee functioned with respect to the war effort. Our committee is under obligation to keep this program during this transition period under constant surveillance and supervision, because if we wait until some mishap or scandal has already developed before we take action, then all we will be doing is "digging up dead cats." Our job is to prevent mistakes. I believe our committee recognizes its responsibility. If it does not, then the House should set up a special committee for that purpose because the subject is of sufficient importance to our whole economy, to our fiscal position, and to our relations with other countries in the disposal of this material abroad, to warrant this action on the part of the House.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I concur in the gentleman's views and I merely remind the gentleman of that which he already knows, that not only our committee but

the Congress and the country are entitled to proper administration. May I say further that the act of 1944, the Surplus Property Act, provided that detailed reports as to the administration of the act should be submitted quarterly. The Administrator recently appointed has promised us that these reports will be forthcoming.

Mr. JUDD. I want to say for the RECORD that whereas reports which had been ordered by the Congress have not been made previously, we have determined that they shall be made hereafter and we will keep our finger on the situation.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I am glad to hear this colloquy between the members of this committee. As one who is not on this committee, may I say that I am relying upon this committee to keep me informed as a Member of Congress on the administration of surplus property and the necessity for further legislation. I do not need another committee. I am relying on you, and I think I speak for many other Members of Congress who are not on this committee. We are holding you members responsible by letting us know when legislation is needed, corrective or otherwise. As far as I am concerned, I want to keep you on the spot from now on because when I get criticism I am going to say, "Well, our committee will take care of that."

Mr. JUDD. Not only are we under obligation to keep you informed, but we are under obligation to keep the Administrator on his toes by bringing to his attention every single case of even rumor of maladministration.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. As one member of that committee I would like to assure the gentleman from Ohio that I will try to give you as much information about what is going on in connection with the matter, that is, the disposal of this property, as you on the Committee on Foreign Relations gave us in connection with foreign affairs.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish to say that I, and the gentlemen around all seem to join with me in that feeling, agree with the gentleman from Ohio [Mr. Vorys]. We are going to look to this committee to keep this Administrator straight.

Mr. JUDD. Of course, I hope that the committee will be able to measure up to this rather herculean task that you are laying on our shoulders.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to say to the House that I was on this committee for a long, long time, and many of you older Members heard me complain and demand investigations in order that we get some

information about what is not going very well in the country. I assure you we got little information from this committee.

Mr. HOFFMAN. I would like to assure the gentleman from Massachusetts that we on that committee appreciated his efforts to get action in the past. We realize the handicap he has been under. But they are now going along and we will get a chance, maybe. I am sorry the gentleman got off the committee.

Mr. MANASCO. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3907) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. MANASCO. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECESS

The SPEAKER. Under authority previously granted, the Chair declares the House in recess until 2:25 p. m.

Accordingly (at 2 o'clock and 10 minutes p. m.) the House stood in recess until 2 o'clock and 25 minutes p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker, at 2 o'clock and 25 minutes p. m.

APPOINTMENT OF COMMITTEE OF ESCORT FOR GENERAL WAINWRIGHT

The SPEAKER. The Chair appoints as a committee to escort our distinguished visitor, General Wainwright, into the Chamber the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Kentucky [Mr. MAY], and the gentleman from Massachusetts Mr. MARTIN].

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 26 minutes p. m.) the House stood in recess subject to the call of the Chair.

RECEPTION OF GEN. JONATHAN M. WAINWRIGHT

During the recess the following proceedings occurred:

At 2 o'clock and 50 minutes p. m., the Doorkeeper announced Gen. Jonathan M. Wainwright.

Gen. Jonathan M. Wainwright, escorted by the committee of Representatives, entered the Hall of the House of Repre-

sentatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, we are honored today by the presence of one of the outstanding heroes of the earth. [Applause.] His name will be permanently inscribed on the tablets of fame. [Applause.] It is my high privilege and great pleasure to present to you Gen. Jonathan M. Wainwright. [Applause, the Members rising.]

General WAINWRIGHT. Mr. Speaker, and Members of the House of Representatives, now I feel that at last I have come home to my country [applause]—all the way home. I thank you from the bottom of my heart for the generous impulse which has moved you to call me here. In receiving the honor of a reception by the Congress I can express my gratitude to all the American people for the welcome which they have given me and my comrades since our liberation.

In greeting us I know that our countrymen intend to show some measure of their feeling for all those who fought through the last weeks on Bataan and Corregidor. Many survived the pounding of Japanese guns only to suffer more cruelly later under the inhuman treatment given them in prison camps. As their commander I can tell you it was the memory and hope of America that sustained them through darkest days.

During the last year we were kept from all sources of news by our captors, yet we contrived to learn, by rumors and scraps of information that reached us, of the growing military might which must some day restore us to the rights of free men in our beloved land.

We knew that our country had developed great power. Yet when my comrades and I were rescued from our captivity we were not quite prepared for all that we saw. A great new Army with new weapons and endless supply had made America what her citizens hope she may always be—invincible in battle. [Applause.]

To men who had faced overwhelming power without the means to meet it, as we did in the Philippines, there was deep satisfaction in seeing how completely the odds had been reversed. How we longed for some of that offensive power on Corregidor. Had this Nation been able to send it through the Japanese blockade, tired as we were, there would have been no fall of Corregidor. [Applause.]

From desperate days, we have returned to a world at peace. I thank God for our liberation and for the sympathy and high respect in which you have held us throughout the long ordeal which is now at its end.

I thank you. [Applause, the Members rising.]

At 2 o'clock and 55 minutes p. m. General Wainwright retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 56 minutes p. m.

The SPEAKER. Without objection, the proceedings had during the recess of the House will be printed in the RECORD.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'BRIEN of Michigan, indefinitely, on account of illness.

To Mr. ABERNETHY, indefinitely, on account of illness.

To Mr. HOEVEN (at the request of Mr. LeCOMPTE), for 1 week, on account of important business.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, September 11, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

(Wednesday, September 12, 1945)

At 10 a. m. on Wednesday, September 12, 1945, Subcommittee No. 1 of the Committee on the Judiciary will hold a public hearing on the bill (H. R. 3750) to amend the First War Powers Act, 1941. The meeting will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON INVALID PENSIONS

(Thursday, September 13, 1945)

There will be a public hearing before the Committee on Invalid Pensions at 10 a. m. on Thursday, September 13, 1945, in the committee hearing room, 247 Old House Office Building, on H. R. 1653, by Representative HENDRICKS, and H. R. 2073, by Representative LUDLOW, bills to extend benefits to veterans of the Mexican border service of 1916 and 1917 and their dependents.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 3972. A bill to encourage the prevention of steam pollution by allowing amounts paid for plants for the treatment of industrial waste as a deduction in computing net income; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 3973. A bill to amend the act entitled "An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes," approved June 23, 1943 (57 Stat. 162), and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. BOREN:

H. R. 3974. A bill to provide for termination of daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. BULWINKLE:

H. R. 3975. A bill to provide for termination of daylight-saving time, and to amend the Standard Time Act of March 19, 1918; to the Committee on Interstate and Foreign Commerce.

By Mr. HAVENNER:

H. R. 3976. A bill to provide for the admission to the United States of alien Chinese wives of American citizens who are admissible under the provisions of the immigration laws other than those authorizing exclusion on grounds of race or birth in a defined geographical area; to the Committee on Immigration and Naturalization.

By Mrs. LUCE:

H. R. 3977. A bill to give retired noncommissioned officers of the Army and Navy preference in appointments to civil-service positions; to the Committee on the Civil Service.

By Mr. MANSFIELD of Montana:

H. R. 3978. A bill to provide adequate winter range for saddle and pack animals of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. RANDOLPH:

H. R. 3979. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; to the Committee on the District of Columbia.

By Mr. RIZLEY:

H. R. 3980. A bill to amend the Selective Training and Service Act of 1940, as amended, by reducing liability for service and training in the land or naval forces of the United States; to the Committee on Military Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 3981. A bill to amend Veterans Regulation No. 1 (a), as amended, to provide more liberal rates of increased pension for single amputations due to service, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCHWABE of Oklahoma:

H. R. 3982. A bill to appropriate funds for the current fiscal year for carrying out the Hulah Reservoir project in Oklahoma and Kansas; to the Committee on Appropriations.

H. R. 3983. A bill to appropriate funds for the current fiscal year for carrying out the Fort Gibson Dam and Reservoir project in Oklahoma; to the Committee on Appropriations.

By Mr. RANDOLPH:

H. J. Res. 236. Joint resolution providing for the continuance of the tax-exempt status of certain property in the District of Columbia when used and occupied by any department, agency, or instrumentality of the United States of America or by the American Red Cross; to the Committee on the District of Columbia.

By Mr. VINSON:

H. Con. Res. 80. Concurrent resolution to announce the sense of Congress as to the composition of the postwar Navy; to the Committee on Naval Affairs.

By Mr. ROBINSON of Utah:

H. Con. Res. 81. Concurrent resolution providing that the war emergency has been relieved to an extent which will justify proceeding with the highway construction program under the Federal-Aid Highway Act of 1944; to the Committee on Roads.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Provincial Board of Pampanga, P. I., expressing its sympathy to the Government and the people of the United States of America and to Mrs. Eleanor Roosevelt over the death of Franklin Delano Roosevelt; to the Committee on Memorials.

Also, a memorial of the Provincial Governor of Pampanga, P. I., expressing sympathy over the death of the late President Franklin Delano Roosevelt; to the Committee on Memorials.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Florida:

H. R. 3984. A bill for the relief of Saunders Wholesale, Inc.; to the Committee on Claims.

By Mr. CURTIS:

H. R. 3985. A bill for the relief of Kilpatrick Bros. Co.; to the Committee on Claims.

H. R. 3986. A bill for the relief of Caroline McCune and Arthur C. McCune; to the Committee on Claims.

By Mr. KNUTSON:

H. R. 3987. A bill for the relief of Myrtle C. Radabaugh; to the Committee on Claims.

By Mr. SPRINGER:

H. R. 3988. A bill for the relief of Decatur County, in the State of Indiana; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1132. By Mrs. SMITH of Maine: Petition signed by Mrs. Hattie Donna, president of Townsend Club, Madison, Maine, and approximately 100 other citizens, urging action on H. R. 2229 and H. R. 2230; to the Committee on Ways and Means.

1133. Also, petition of Manley L. Turner and 50 other citizens of Lincolnville, Maine, urging favorable action on the Bryson bill; to the Committee on the Judiciary.

1134. Also, petition of Benjamin J. Arena and approximately 100 other citizens of Auburn, Maine, urging action on H. R. 2229 and H. R. 2230; to the Committee on Ways and Means.

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 12, 1945, for actions of Tuesday, September 11, 1945)

(For staff of the Department only).

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HIGHLIGHTS: Senate committee reported bill providing for single Surplus Property Administrator. Sen.Wiley criticized administration's policies on Federal work-week and farm-labor inductions. Sen.Wherry urged discontinuance of meat rationing. Rep.Jenkins criticized this Department's and OPA's administration of meat slaughtering program. Rep.Keefe commended removal of food controls and urged discontinuance of butter rationing.

SENATE

1. SURPLUS PROPERTY. Military Affairs Committee reported without amendment S.1353, providing for a single Surplus Property Administrator (S.Rept. 557)(p.8612).H.R. 3907 (a similar bill passed by the House Sept. 10) was placed on the Senate calendar (p. 8612).
2. RECONVERSION. Sen. Wiley, Wis., criticized Administration reconversion policies with respect to demobilization, the Federal 5-day work week, the proposed Federal 30-hour work week, and farm-labor inductions and commended discontinuance of cheese rationing (p. 8623).
3. MEAT SUPPLY; RATIONING. Sen. Wherry, Nebr., urged discontinuance of meat rationing to aid its "distribution" and inserted several articles on this subject (pp. 8623-5).
4. AIRPORT BILL. Continued debate on S.2, to provide Federal aid for airport construction, etc. (pp.8613-23, 8625-32). During debate on this bill Sen. Taft, Ohio, discussed Federal receipts and expenditures of the next few years and enumerated the various spending proposals now before Congress, including vocational education (\$100,000,000), food-allotment plan (\$500,000,000), rural electrification measure (\$200,000,000)(already passed), rural telephones (\$50,000,000), school-lunch programs (\$100,000,000), water-pollution control (\$50,000,000), proposed Federal 30-hour work week (\$500,000,000), additional UNRRA program (\$1,350,000,000), CCC (\$500,000,000), etc. (p. 8628).
5. BANKRUPTCY. Passed without amendment S. 1365, to permit the appointment of supervising conciliation commissioners as referees in bankruptcy (pp. 8630-1).
6. AIR TRANSPORTATION. Interstate Commerce Committee reported without amendment S. Con. Res. 25, favoring extension of the air-transportation system to small cities and towns (p. 8612).

7. BUTTER RATIONING. Rep. Keefe, Wis., urged discontinuance of butter rationing and commended removal of food controls (p. 8635).
8. LIVESTOCK SLAUGHTERING. Rep. Jenkins, Ohio, criticized this Department's and OPA's administration of the livestock-slaughtering program (p. 8638).
9. DAYLIGHT SAVING TIME. Interstate and Foreign Commerce Committee reported without amendment H.R. 3974, to provide for the termination of daylight-saving time (H. Rept. 945) (pp. 8658-9). Rep. Bulwinkle, W.C., and others discussed repeal of the daylight-saving time law (p. 8654). Reps. Patrick, Ala., and Brown, Ohio, urged repeal of this law (p. 8636).
10. LOANS; FOREIGN AFFAIRS. Reps. Curtis, Nebr., and Knutson, Minn., criticized proposed loans to England (pp. 8639, 8654-7).
11. UNEMPLOYMENT COMPENSATION; ECONOMY. Rep. Hoffman, Mich., criticized proposed Federal expenditures as provided for in the unemployment compensation bill (p. 8636).

BILLS INTRODUCED

12. DAYLIGHT SAVING TIME. H.Con.Res. 82, by Rep. Gossett, Tex., to terminate daylight-saving time. To Interstate and Foreign Commerce Committee. (p. 8658).
13. HEALTH. H.R. 3994, by Rep. Kelley, Pa., to provide for the general welfare by enabling the several States to make more adequate provision for the health and welfare of mothers and children. To Labor Committee. (p. 8658.)
14. HOLIDAY. H.R. 3991, by Rep. Brooks, La., designating Sept. 2 (surrender of Japan) as a legal holiday. To Judiciary Committee. (p. 8658.) Remarks of author (p. 8636).
15. PERSONNEL; VETERANS. S. 1379, by Sen. Magnuson, Wash., to provide for the payment of accumulative or accrued leave to certain members of the armed forces who enter or reenter U.S. civilian employment. To Naval Affairs Committee. (p. 8612.)
16. SURPLUS PROPERTY. S. 1380, by Sen. Johnson, Colo., to amend Sec. 15 of the Surplus Property Act so as to afford to producers an opportunity to reacquire products of their own manufacture. To Military Affairs Committee. (p. 8612.)

ITEMS IN APPENDIX

17. FULL-EMPLOYMENT BUDGET. Sen. Millikin, Colo., inserted Sen. Taft's (Ohio) and Sen. Pepper's (Fla.) review of Secretary of Commerce Wallace's book "Sixty Million Jobs" (pp. A4119-22).
Rep. Wasielewski, Wis., inserted a Milwaukee Journal editorial on the full-employment bill (p. A4136).
Rep. Holifield, Calif., inserted Milton Erlinger's (BVD Corp.) statement favoring the Murray full-employment bill (pp. A4134-6).
18. NATURAL RESOURCES. Sen. Stewart, Tenn., inserted Sen. Carville's (Nev.) address on "Our Natural Resources and Our Free Way of Life" (pp. A4117-9).
19. MISSOURI VALLEY AUTHORITY. Extension of remarks of Rep. Carlson, Kans., opposing the creation of an MVA and including a Mo. River States Committee statement on the subject (p. A4122).

SURPLUS PROPERTY ADMINISTRATOR

SEPTEMBER 11 (legislative day, SEPTEMBER 10), 1945.—Ordered to be printed

Mr. O'MAHONEY, from the Committee on Military Affairs, submitted the following

REPORT

[To accompany S. 1353]

The Committee on Military Affairs, to whom was referred the bill (S. 1353) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator, having considered the same, report favorably thereon with recommendation that the bill do pass.

On July 17 last, the President of the United States sent a message to the Congress recommending that legislation be enacted to place the duties and responsibilities of the Surplus Property Board in the hands of a single administrator. The President repeated the recommendation in his message to the Congress on September 6.

It is believed that a single administrator is more likely to bring about unity of action and to make the speedy decisions required to accomplish the vast task of surplus disposal. The need for incisive administrative action is emphasized a hundredfold by the surrender of Japan which will make surplus to the needs of the Government huge quantities of goods and many plants and facilities.

At the present time the staff of the Subcommittee on Surplus Property of the Military Affairs Committee is studying intensively, in consultation with all governmental agencies concerned, the results so far obtained under the law as it now stands and the experience of the various agencies, with the view of determining what additional amendments may be needed.

It appears to the committee that the need for action on the President's recommendation is so urgent that the recommendation should be immediately enacted into law, without prejudice to other recommendations for amendment of the Surplus Property Act. Your committee strongly recommends, therefore, that the bill S. 1353, which is designed to accomplish the replacement of the Surplus Property Board by a single Administrator, be passed by the Senate.

The text of S. 1353 is as follows:

A BILL To provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established in the Office of War Mobilization and Reconversion a Surplus Property Administration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$12,000 per year. The term of office of the Administrator shall be two years.

SEC. 2. (a) Effective at the time the Surplus Property Administrator first appointed under this Act qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become, respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this Act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, made, prescribed, or performed, before the transfer of functions provided by subsection (a) of this section, shall, except to the extent rescinded, modified, superseded, or made inapplicable by the Surplus Property Administrator, have the same effect as if such transfer had not been made; but functions vested in the Surplus Property Board by any such regulation, policy, determination, authorization, requirement, designation, or other action, shall, insofar as they are to be exercised after the transfer, be considered as vested in the Surplus Property Administrator.

Calendar No. 554

79TH CONGRESS
1ST SESSION

S. 1353

[Report No. 557]

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 6, 1945

Mr. THOMAS of Utah introduced the following bill; which was read twice
and referred to the Committee on Military Affairs

SEPTEMBER 11 (legislative day, SEPTEMBER 10), 1945

Reported by Mr. O'MAHONEY, without amendment

A BILL

To provide for administration of the Surplus Property Act of 1944
by a Surplus Property Administrator.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That there is hereby established in the Office of War Mobiliza-
4 tion and Reconversion a Surplus Property Administration
5 which shall be headed by a Surplus Property Administra-
6 tor. The Administrator shall be appointed by the President
7 by and with the advice and consent of the Senate and shall
8 receive compensation at the rate of \$12,000 per year. The
9 term of office of the Administrator shall be two years.

10 SEC. 2. (a) Effective at the time the Surplus Property

1 Administrator first appointed under this Act qualifies and
2 takes office, the Surplus Property Board created by section
3 5 of the Surplus Property Act of 1944 is abolished, all of
4 its functions are transferred to, and shall be exercised by,
5 the Surplus Property Administrator, and all of its personnel
6 (except the members thereof), records, and property (in-
7 cluding office equipment) are transferred to, and shall be-
8 come, respectively, the personnel, records, and property of
9 the Surplus Property Administration.

10 (b) So much of the unexpended balances of appro-
11 priations, allocations, or other funds available for the use of
12 the Surplus Property Board in the exercise of any function
13 transferred by this Act shall be transferred to the Surplus
14 Property Administration for use in connection with the
15 exercise of the functions so transferred.

16 (c) All regulations, policies, determinations, author-
17 izations, requirements, designations, and other actions of the
18 Surplus Property Board, made, prescribed, or performed,
19 before the transfer of functions provided by subsection (a)
20 of this section, shall, except to the extent rescinded, modi-
21 fied, superseded, or made inapplicable by the Surplus Prop-
22 erty Administrator, have the same effect as if such transfer
23 had not been made; but functions vested in the Surplus
24 Property Board by any such regulation, policy, determina-
25 tion, authorization, requirement, designation, or other action,

- 1 shall, insofar as they are to be exercised after the transfer,
- 2 be considered as vested in the Surplus Property
- 3 Administrator.

79TH CONGRESS
1ST SESSION

S. 1353

[Report No. 557]

A BILL

To provide for administration of the Surplus
Property Act of 1944 by a Surplus Property
Administrator.

By Mr. THOMAS of Utah

SEPTEMBER 6, 1945

Read twice and referred to the Committee on Military
Affairs

SEPTEMBER 11 (legislative day, SEPTEMBER 10), 1945

Reported without amendment

Calendar No. 555

79TH CONGRESS
1ST SESSION

H. R. 3907

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11 (legislative day, SEPTEMBER 10), 1945

Read twice and ordered to be placed on the calendar

AN ACT

To provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That there is hereby established in the Office of War Mobili-
4 zation and Reconversion a Surplus Property Administration
5 which shall be headed by a Surplus Property Administrator.
6 The Administrator shall be appointed by the President by
7 and with the advice and consent of the Senate and shall
8 receive compensation at the rate of \$12,000 per year. The
9 term of office of the Administrator shall be two years.

10 SEC. 2. (a) Effective at the time the Surplus Property
11 Administrator first appointed under this Act qualifies and

1 takes office, the Surplus Property Board created by section 5
2 of the Surplus Property Act of 1944 is abolished, all of its
3 functions are transferred to, and shall be exercised by, the
4 Surplus Property Administrator, and all of its personnel (ex-
5 cept the members thereof), records, and property (including
6 office equipment) are transferred to, and shall become, re-
7 spectively, the personnel, records, and property of the
8 Surplus Property Administration.

9 (b) So much of the unexpended balances of appropria-
10 tions, allocations, or other funds available for the use of the
11 Surplus Property Board in the exercise of any function trans-
12 ferred by this Act shall be transferred to the Surplus Prop-
13 erty Administration for use in connection with the exercise
14 of the functions so transferred.

15 (c) All regulations, policies, determinations, authoriza-
16 tions, requirements, designations, and other actions of the
17 Surplus Property Board, made, prescribed, or performed
18 before the transfer of functions provided by subsection (a)
19 of this section shall, except to the extent rescinded, modified,
20 superseded, or made inapplicable by the Surplus Property
21 Administrator, have the same effect as if such transfer had
22 not been made; but functions vested in the Surplus Property
23 Board by any such regulation, policy, determination, authori-
24 zation, requirement, designation, or other action shall, insofar

- 1 as they are to be exercised after the transfer, be considered
- 2 as vested in the Surplus Property Administrator.

Passed the House of Representatives September 10, 1945.

Attest:

SOUTH TRIMBLE,

Clerk.

By H. NEWLIN MEGILL.

AN ACT

To provide for administration of the Surplus
Property Act of 1944 by a Surplus Property
Administrator.

SEPTEMBER 11 (legislative day, SEPTEMBER 10), 1945

Read twice and ordered to be placed on the calendar

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 13, 1945, for actions of Wednesday, September 12, 1945)

(For staff of the Department only)

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HIGHLIGHTS: Senate passed bill providing for a single Surplus Property Administrator. Sen. Wherry criticized meat rationing. House passed bills to repeal daylight-saving time and for financial control of Government corporations. Rep. Cannon commended crop-insurance program.

HOUSE

1. GOVERNMENT CORPORATIONS. Passed without amendment H.R. 3660, to provide for financial control of Government corporations (pp. 8692-710). (For provisions of bill see Digest 135.) Rejected Rep. Flammagan's (Va.) amendment to eliminate agencies now audited by FCA examiners at least annually (pp. 8709-10).
2. DAYLIGHT-SAVING TIME. Passed without amendment H.R. 3974, to provide for the termination of daylight-saving time on Sept. 30, 1945 (pp. 8686-92). During debate several members stated that repeal would be beneficial to farmers. Reps. Cannon, Mo., and others discussed the crop-insurance program (pp. 8689-90).
3. GOVERNMENT IN BUSINESS. Rep. Rich. Pa., urged that "Congress do something to take the Government out of business, eliminate many of the departments and consolidate others so that people...will know the Government is not interfering with them" (p. 8686).
4. STATE FAIRS. Rep. Harness, Ind., urged the return of State fairgrounds to the States to assure resumption of State fairs next year (p. 8710).

SENATE

5. SURPLUS PROPERTY. Passed without amendment H.R. 3907, to provide for a single Surplus Property Administrator (pp. 8682-3). This bill will now be sent to the President.
and
6. MEAT RATIONING. Sen. Wherry, Nebr.,/others discussed the meat situation and Sen. Wherry urged discontinuance of meat rationing (pp. 8662-4).

7. NOMINATIONS. Received the nominations of Harrington Wimberly and Richard Sachse to be members of the Federal Power Commission (p. 8683).
Territories and Insular Affairs Committee reported favorably the nominations of Paul V. McNutt to be U.S. High Commissioner of the Philippines and Donald D. Russell and William Benton to be Assistant Secretaries of State (p. 8683).
8. PERSONNEL. Agreed to Sen. Downey's (Calif.) unanimous consent request to report during recess several bills approved by the Civil Service Committee (p.8683).
9. PERSONNEL; POST-WAR INVESTIGATION. Civil Service Committee reported with amendment S. Res. 172, to investigate certain economic questions in the Pacific Coast and Rocky Mountain States resulting from the termination of the war, including population shifts resulting from separation from industrial and government employment and disposition of surplus property (p. 8662).
10. AIR TRANSPORTATION. Interstate Commerce Committee submitted a report pursuant to S. Con. Res. 25, favoring an extension of the air-transportation system to small cities and towns (S.Rept. 558)(p. 8662)..
11. AIRPORT BILL. Passed with amendment S.2, to provide for Federal aid for the construction, etc., of public airports (pp. 8664-81).
12. ADJOURNED until Fri., Sept. 14 (p. 8683).

BILLS INTRODUCED

13. PERSONNEL; RETIREMENT. S. 1384, by Sen. Cordon, Oreg., to amend the Civil Service Retirement Act so as to provide for recomputation of annuities of employees who retired prior to Jan. 24, 1942. To Civil Service Committee. (p.8662).
14. PERSONNEL; LEAVE. H.R. 4005, by Rep. Lane, Mass., to amend Public Law 525, 78th Cong., to provide for the payment to certain Government employees for accumulated or accrued annual leave due upon their separation from service. To Civil Service Committee. (p. 8715)

ITEMS IN APPENDIX

15. FOREST FIRES. Extension of remarks of Rep. Angell, Oreg., favoring forest-fire prevention work and including The Timber Operators Association article on this subject (pp. A4152-3).
16. PRICE CONTROL. Rep. Kopplemann, Conn., inserted J.H.Brady's article favoring Federal support of incomes and price controls (p. A4153).
17. GOVERNMENT REORGANIZATION. Rep. McKenzie, La., inserted a Washington Star editorial favoring reorganization in the executive branch (p. A4158).
18. SURPLUS PROPERTY. Sen. Stewart, Okla., inserted a constituent's letter favoring sale of surplus property to veterans (p. A4162).
19. RECONVERSION PROGRAM. Rep. Rich, Pa., inserted a Bristol Courier editorial criticizing the President's reconversion program, stating he wants "to pretend the war isn't over" (p. A4163).
20. CHILD CARE. Extension of remarks of Rep. Doyle, Calif., including several communications, urging continuance of Federal aid to child-care centers (pp. A4165-6).

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COMMITTEE HEARINGS ANNOUNCEMENT for Sept.13:S.Bank. and Curr.;full-employment bill(ex)

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a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used;

(5) the airport operator or owner will furnish the Government at a reasonable rent therefor such space in airport buildings as may be reasonably adequate for use by the Government in connection with any airport air traffic control, or weather reporting, and communications activities pertinent thereto which the Government may wish to establish at the airport;

(6) all project accounts and records will be kept in accordance with a standard system of accounting prescribed by the Administrator;

(7) the airport operator or owner will submit to the Administrator such annual or special airport financial and operations reports as the Administrator may reasonably request; and

(8) the airport and all airport records will be available for inspection by any duly authorized agent of the Administrator upon reasonable request. To provide such assurance, the Administrator shall prescribe such project-sponsorship requirements as he may deem necessary, consistent with the terms of this act: *Provided*, That nothing contained in such regulations shall be construed to require any State or State airport agency to acquire any airport owned by any other public agency, to assume control over the operation of any such airport, or to sponsor a project which any other public agency is desirous of sponsoring.

USE OF GOVERNMENT-OWNED LANDS

SEC. 16. (a) Whenever the Administrator determines that use of any lands owned or controlled by the United States is reasonably necessary for the development of an airport under this act, or for the operation of any public airport, he shall file with the head of the department or agency having control of such lands a request that such property interest therein as he may deem necessary be conveyed to the State airport agency of the State in which the lands are located or to the public agency sponsoring the project or owning or controlling the airport, as he may designate. Such property interest may consist of the title or any lesser estate or interest in property, including any leasehold estate or avigation or other easement or right-of-way.

(b) If within a period of 4 months after such filing the said department or agency head shall not have certified to the Administrator that the requested conveyance is contrary to the public interest or inconsistent with the needs of that department or agency, the said department or agency head is hereby authorized and directed, with the approval of the President and the Attorney General of the United States, and without any expense whatsoever to the United States, to perform any acts and to execute any instruments necessary to make the conveyance requested: *Provided*, That each such conveyance shall be made on the condition that the property interest conveyed shall automatically revert to the United States in the event that the lands in question are not developed, or cease to be used, for airport purposes.

REIMBURSEMENT FOR DAMAGE BY ARMY OR NAVY

SEC. 17. (a) The Administrator is authorized to reimburse States or public agencies for the necessary rehabilitation or repair of public airports substantially damaged by the Army or the Navy, or both. The Administrator is authorized on behalf of the United States to consider, ascertain, adjust, and determine in accordance with regulations he shall prescribe pursuant to this section, any claim submitted by any State or public agency for reimbursement of the cost of necessary rehabilitation or repair of a public airport, under the control or management of such State or public agency, substantially damaged by the Army or the Navy, or both.

(b) Such amount as may be found to be due any claimant under this section shall be certified by the Administrator to Congress for payment out of appropriations that may be made by Congress therefor. Such certification shall include a brief statement of the character of each claim, the amount claimed, and the amount allowed. No claim shall be considered by the Administrator pursuant to this section unless notice of intention to file such claim has been presented to him within 30 days after the occurrence of the damage upon which the claim is based, except that in case of damage caused by operations of a military nature during time of war such notice may be filed within 60 days after termination of the war.

REPORTING TO CONGRESS

SEC. 18. On or before the first Monday in February of each year the Administrator shall make a report to the Congress on his operations under this act during the preceding fiscal year, which shall include detailed statements of the Federal-aid airport development accomplished, the status of each project undertaken, the allocation of appropriations, and itemized statement of expenditures and receipts, and his recommendations, if any, for new legislation amending or supplementing this act. The Administrator shall also make such special reports as the Congress may request.

FALSE STATEMENTS

SEC. 19. Any officer, agent, or employee of the United States, or any officer, agent, or employee of any State or public agency, or any person, association, firm, or corporation who shall knowingly make any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof, in connection with the submission of plans, maps, specifications, contracts, or estimates of construction costs for any project submitted to the Administrator for approval under the provisions of this act or shall knowingly make any false statement, false representation, or false report or claim for work or materials for any project approved by the Administrator under this Act, or shall knowingly make any false statement or false representation in any report required to be made under this act, or any acts supplementary thereto, with the intent to defraud the United States shall, upon conviction thereof, be punished by imprisonment for not to exceed 5 years or by a fine of not to exceed \$10,000, or by both such fine and imprisonment.

EXISTING AIRPORT PROGRAMS

SEC. 20. Nothing in this act shall affect the carrying out of the program for the development of public landing areas necessary for national defense, authorized by the Department of Commerce Appropriation Act, 1945, or the program for the development of civil landing areas, authorized by the First Supplemental National Defense Appropriation Act, 1944, which programs shall be additional to the Federal-aid airport program authorized herein.

EFFECTIVE DATE

SEC. 21. This act shall take effect on the date of its approval.

DELAY IN DISCHARGE OF OVERSEAS VETERANS

Mr. ROBERTSON. Mr. President, in common with most Senators, I find that my desk is piled high with postal cards, letters, and telegrams from servicemen and relatives of servicemen who seek discharge. This morning I received a telegram which illustrates most clearly the complete break-down and inefficiency of the present discharge system.

I wish to read the telegram, for the benefit of the Senate:

SEPTEMBER 11, 1945.

Hon. E. V. ROBERTSON,
Senator from Wyoming,
United States Senate,
Washington, D. C.

DEAR SIR: The following men, all overseas veterans, are now being held at Charleston Army air base. We were formerly members of the Eighth and Fifteenth Air Forces after being in England for 38 months, and the men from the Fifteenth in Italy for 2 years were transferred to Africa to ATC bases. Last month we were transferred back to the States via the so-called purple project. All of us being flown and rushed to Charleston for discharge and reassignment. Many of the men have from 85 to 131 points and a great majority are over 38 years old. We were to ship to the Fourth Service Consolidation Center namely Fort Bragg, Camp Shelby and Fort McClellan. Many of the men are ex-infantry men and gunners in the Air Forces. Quite a few men being wounded and deserve these rightful rewards which at the present time is KP, cutting the grass. We were to ship the 1st of the month and then the Fourth Service Command cancelled it till the 12th. Today it was shoved up till the 17th. All of the men have not been home expect a few on the East Coast from 2 to 4 years. We have not even had a furlough since we hit the States and the men are just about ready to go over the hill and take the consequences as they have not seen their families for nearly 4 years. We went to the air inspector who is a 26-year-old major, never overseas, and he told the two men we sent as delegates, to hold up their pants and feel sorry for the flying officers that are going to the Pacific. We were told that if we had cars we could leave for the separation center. The men are in a state of chaos and don't know where to turn. After reading your name in the papers we decided to write you this night letter. Incidentally the major who told us to hold our pants wants to stay in the Army. He can well afford it. We would just like to be treated like the men we are and given a break and treated like a soldier and not like PW's. Would appreciate it very much if you kindly acknowledge this telegram to * * * and to investigate the attitude of the Fourth Service Command toward our present situation. Would be advisable to keep the men's names secret due to Army repercussions. Thanking you for your great speeches in the papers and hoping this information can be of help to you, I am,

Respectfully,

That telegram is signed by more than 70 men 38 years of age or over, with from 85 to 131 points. The ages and points of the men signing the telegram are as follows.

1. 104 points.	24. Over 38.
2. 110 points.	25. 96 points.
3. 100 points.	26. Over 38.
4. 94 points.	27. 110 points.
5. 99 points.	28. 106 points.
6. 95 points.	29. Over 38.
7. 90 points.	30. 96 points.
8. 106 points.	31. Over 38.
9. 109 points.	32. 95 points.
10. 97 points.	33. Over 38.
11. Over 38.	34. 101 points.
12. Over 38.	35. 110 points.
13. 100 points.	36. 95 points.
14. 93 points.	37. 108 points and 39 years.
15. 95 points.	38. 113 points.
16. 106 points.	39. 116 points.
17. 123 points.	40. 100 points.
18. 122 points.	41. 94 points.
19. 75 points.	42. 92 points.
20. 75 points.	43. 99 points.
21. 55 points.	44. 94 points.
22. 121 points.	45. 109 points.
23. 92 points.	

46. 115 points.	61. 94 points.
47. 109 points.	62. 100 points.
48. 91 points and over 38.	63. 95 points.
49. 98 points.	64. 95 points.
50. 86 points.	65. Over 38.
51. 119 points.	66. 96 points.
52. 93 points.	67. 106 points.
53. 93 points.	68. Over 38.
54. 92 points.	69. 93 points.
55. 95 points.	70. 96 points.
56. 96 points.	71. 98 points.
57. 96 points.	72. 96 points.
58. 85 points.	73. 90 points.
59. 110 points.	74. Over 38.
60. 103 points.	75. 102 points.

I have read a tabulation of the qualifications of the men for discharge, and yet they seem to be unable to receive their discharge.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. REVERCOMB. Mr. President, I thank the able Senator from Wyoming for yielding to me.

I am glad that he has read the telegram to the Senate. It is a telegram which I have heretofore seen. Its reading is certainly timely.

The Military Affairs Committee of the Senate met this morning and the very question which the Senator from Wyoming has brought up was presented to the Under Secretary of War in connection with the subject of keeping in the camps of this country men with more than 85 points. They are sometimes kept in the camps for weeks at a time. I was glad to hear the Under Secretary of War make answer to the inquiry concerning the subject, that if we would give him the names of those men he would see to it personally that they were released, or that their cases would be attended to.

Already today I have handed to the Under Secretary of War four names. I hope that the Senator from Wyoming will present immediately to the War Department the names of the men to whom he has referred. If he desires me to do so, as a member of the Military Affairs Committee I will present the names.

I can think of nothing meaner or nothing more neglectful than to return these boys to this country from long service on the battle fronts and then keep them in camps while performing KP service and other work of that kind when, under the order of the War Department, they are supposed to be released.

I hope the able Senator from Wyoming will proceed at once to present for release the names to the War Department. I express it as my own opinion that if the conditions to which reference has been made are the fault of anyone locally, or if they are the result of a plan of anyone in authority, I trust the War Department will take proper measures not only to correct what is being done, but to see that proper disciplinary action is taken.

Mr. ROBERTSON. Mr. President, I thank the Senator from West Virginia for his offer to help obtain the release of these men. I will see that he is supplied with a complete copy of the names which were signed to the telegram, but which I did not read.

SURPLUS PROPERTY ADMINISTRATOR

Mr. O'MAHONEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 555, House bill 3907. The bill is identical with a bill which was reported yesterday by the Senate Committee on Military Affairs providing for a single Surplus Property Administrator for the Surplus Property Board.

The PRESIDENT pro tempore. The bill will be stated by its title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 3907) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHITE. As I understand, this bill would do away with the Board as such, and substitute for it a single Administrator. Am I correct?

Mr. O'MAHONEY. The Senator is correct.

Mr. WHITE. And it would also transfer to the single Administrator all the power and authority which was given to the Board, and would embrace all the purposes and obligations that were given to the Board.

Mr. O'MAHONEY. Precisely.

Mr. WHITE. The bill makes no other substantial change in the law?

Mr. O'MAHONEY. It makes no other substantial change in the law. The committee was of the opinion that it was advisable not to take up various controversial amendments which would impede consideration of the measure which seems to be in the interest of efficient administration.

Mr. WHITE. If the Senator from Wyoming will yield further, I may say that I have contacted, as best I could, the minority members of the Military Affairs Committee, and I found no opposition among them to the proposal.

Mr. O'MAHONEY. Recommendation of legislation of this character was made by the President in a message dated July 7, 1945. A subcommittee of the Military Affairs Committee, having to do with the subject of surplus property, went into the matter before the Japanese surrender. The subcommittee prepared an identical bill. It was impossible, however, to get action upon it until after Congress had reassembled. The House has passed the bill for which I have moved consideration, and it remains only for the Senate to take action.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 3907) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

Mr. BARKLEY. Mr. President, I wish to suggest to the Senator, inasmuch as the bill comes before the Senate with the unanimous approval of the Committee on Military Affairs, and there is practically no opposition to it, that I hope it may be disposed of this afternoon. In that event it will be the purpose to adjourn until

Friday instead of until tomorrow. On Friday we may attempt to call the calendar. It is very light. Then the Senate will go over until Tuesday by which time we hope to have legislation before the Senate dealing with unemployment compensation.

Mr. GEORGE. Mr. President, I do not rise to oppose the passage of the pending bill, but merely to make a statement with respect to it.

The Special Senate Committee on Postwar Economic Policy and Planning gave careful consideration to this entire problem many months ago. As a result of the work of that committee, the bill providing for plant clearance, contract termination, and early adjustment of contracts was passed in the form very much as recommended by the committee, and in the form in which the chairman of the committee introduced the bill following the report of the special committee.

The committee also recommended the creation of the Office of Director of Mobilization and Reconversion, and with the exception of provisions relating to unemployment compensation, that bill was passed in a form very much as the committee had recommended.

The committee also, in dealing with the surplus property of the Government, suggested to the Senate a bill which the chairman of the committee jointly with another member of the Senate introduced. The recommendations of the Special Committee on Postwar Economic Policy and Planning, and the bill introduced by that committee in this body, provided for a single Administrator precisely as the President has recommended, and precisely as the Board itself has recognized, after some experience, as a necessary change in the basic law. I therefore do not oppose the measure, but heartily concur in it. There are other provisions in the surplus property law which, in my opinion, it will be necessary to correct by amendment, but I concur in the statement made by the able Senator from Wyoming [Mr. O'MAHONEY] that the committee deemed it wise not to go into any question of dealing with other provisions of the surplus property bill. I think that the Senate will concur in that view as being an altogether wise one.

Moreover—and this seems to me to be controlling—experience and recommendation of the Administrator himself, who is to be established as the sole and final authority under the Surplus Property Act, will be necessary before the Senate, and the Senate committee can intelligently act with respect to further amendments to the Surplus Property Act.

So, Mr. President, I hope this bill will be passed. I realize now, and I realized it in the beginning, as I believe all Senators did, that, because of the desire to have unified authority in an effort to avoid criticism, well-founded in many instances, which would likely flow from the disposition made by any organization or agency of Government of the vast surplus property held by the Government, the board theory was injected into this discussion and finally passed this body, and after a long time in confer-

ence the board was whittled down to three, as I recall.

I think the committee has acted very wisely in following the President's recommendations, and also in refusing to go into other highly controversial provisions of the Surplus Property Act, because it will be necessary to have the advice and recommendations of the administrator himself, based upon his experience.

Mr. O'MAHONEY. Mr. President, I hope the bill may be passed.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 3907) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, a similar bill, Senate bill 1353, will be indefinitely postponed.

AUTHORIZATION TO REPORT BILLS

Mr. DOWNEY. Mr. President, I ask unanimous consent to report tomorrow, during the recess of the Senate, several bills which have been approved by the Committee on Civil Service, but reports on which are not yet ready.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. O'MAHONEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. ELLENDER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. TYDINGS, from the Committee on Territories and Insular Affairs:

Paul V. McNutt, of Indiana, to be United States High Commissioner to the Philippine Islands.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Benjamin V. Cohen, of New York, to be counselor of the Department of State;

Donald S. Russell, of South Carolina, to be an Assistant Secretary of State;

William Benton, of Connecticut, to be an Assistant Secretary of State;

Brig. Gen. Frank T. Hines, United States Army, to be Ambassador Extraordinary and Plenipotentiary to Panama, to which office he was appointed during the last recess of the Senate; and

Sundry persons for promotion in the foreign service.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the

clerk will proceed to state the nominations on the Executive Calendar.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

The PRESIDING OFFICER. Without objection, the Public Health Service nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

Mr. O'MAHONEY. I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be forthwith notified.

Mr. REVERCOMB. Mr. President, I understand the action on the Executive Calendar just taken does not include passing on the treaties.

Mr. O'MAHONEY. No; the Senate considered merely the nominations.

The PRESIDING OFFICER. That is correct.

RECESS TO FRIDAY

Mr. O'MAHONEY. As in legislative session, I move that the Senate take a recess until Friday next, at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 44 minutes) the Senate took a recess until Friday, September 14, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate September 12 (legislative day of September 10), 1945:

THE JUDICIARY

UNITED STATES CIRCUIT COURT OF APPEALS

John J. O'Connell, of Pennsylvania, to be judge of the United States Circuit Court of Appeals for the Third Circuit, new position.

UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Hon. Bennett Champ Clark, of Missouri, to be an associate justice of the United States Court of Appeals for the District of Columbia, vice Thurman W. Arnold, resigned.

Willbur K. Miller, of Kentucky, to be an associate justice of the United States Court of Appeals for the District of Columbia, vice Hon. Fred M. Vinson, resigned.

E. Barrett Prettyman, of the District of Columbia, to be an associate justice of the United States Court of Appeals for the District of Columbia, vice Hon. Justin Miller, resignation effective October 1, 1945.

DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF COLUMBIA

Alexander Holtzoff, of the District of Columbia, to be an associate justice of the District Court of the United States for the District of Columbia, vice Hon. Bolitha J. Laws, elevated.

POST OFFICE DEPARTMENT

Gael E. Sullivan, of Illinois, to be Second Assistant Postmaster General, Post Office Department, effective October 1, 1945, vice Smith W. Purdum, retired.

FEDERAL POWER COMMISSION

Harrington Wimberly, of Oklahoma, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1948, vice Basil Manly, resigned.

Richard Sachse, of California, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1947, vice John W. Scott, resigned.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONELS WITH RANK FROM SEPTEMBER 1, 1945

Lt. Col. Rexford Edwin Willoughby, Cavalry (temporary colonel).

Lt. Col. William Glenn Livesay, Infantry (temporary major general).

Lt. Col. James Washington Barnett, Cavalry (temporary brigadier general).

Lt. Col. John Charles Mullenix, Cavalry (temporary colonel).

Lt. Col. John Andrew Weeks, Cavalry (temporary colonel).

Lt. Col. Robert Lincoln Christian, Infantry (temporary colonel).

Lt. Col. William Hampton Crom, Air Corps (temporary colonel).

Lt. Col. Delphin Etienne Thebaud, Infantry (temporary colonel).

Lt. Col. George Sheppard Clarke, Infantry (temporary colonel).

Lt. Col. Charles Andrew Willoughby, Infantry (temporary major general).

Lt. Col. Walter Eyster Buchly, Cavalry (temporary colonel).

Lt. Col. Harold Chittenden Mandell, Cavalry (temporary brigadier general).

CONFIRMATIONS

Executive nominations confirmed by the Senate September 12 (legislative day of September 10), 1945:

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be passed assistant surgeons, effective date indicated

Robert V. Holman, July 1, 1944.

James R. Hurley, September 12, 1945.

James F. Maddux, July 1, 1945.

Wardell H. Mills, September 14, 1945.

Willoughby J. Rothrock, Jr., September 4, 1945.

Richard C. Siders, July 1, 1945.

To be temporary senior surgeons, effective August 1, 1945

Llewellyn L. Ashburn Hollis U. Maness

Bert R. Boone Thomas B. McKneely

Don S. Cameron Carroll E. Palmer

Kenneth E. Gamm Donald W. Patrick

Alfred B. Geyer Thurman H. Rose

Clifton K. Himmelsbach George G. VanDyke

Marion K. King Victor H. Vogel

Benton O. Lewis Oliver C. Williams

William G. Workman

To be temporary senior dental surgeons, effective date indicated

Leonard R. Etzenhouser, May 1, 1945.

Mark E. Bowers, August 1, 1945.

Gordon G. Braendle, August 1, 1945.

John M. Francis, August 1, 1945.

Charles B. Galt, August 1, 1945.

Frank E. Law, August 1, 1945.

Robert H. Moore, August 1, 1945.

Walter J. Pelton, August 1, 1945.

To be temporary surgeons, effective date indicated

Clarence L. Hebert, July 1, 1945.

Charles L. Williams, Jr., July 1, 1945.

To be temporary passed assistant surgeons, effective date indicated

John W. Murray, Jr., July 1, 1945.

Fred W. Harb, July 1, 1945.

To be temporary medical director, effective
July 16, 1945

Estella Ford Warner

To be temporary senior nurse officers, effective
date indicated

Pearl McIver, July 9, 1945.

Jessie MacFarlane, July 6, 1945.

APPOINTMENTS IN THE REGULAR CORPS

To be assistant dietitians, effective date of
oath of office

E. Grace Gibson

Myrtle M. Morris

Georgia Stephens

To be junior assistant dietitian, effective date
of oath of office

Christine F. Flanders

To be senior assistant dietitians, effective date
of oath of office

Elsie Trautman

Janet E. Eley

To be junior assistant physical therapist,
effective date of oath of office

Gerda Busck

To be senior assistant nurse officer, effective
date of oath of office

Amy E. Viglione

POSTMASTERS

INDIANA

Julius L. Green, Lanesville.

Virginia L. Trautman, Sunman.

LOUISIANA

A. Frank Fairley, New Orleans.

MONTANA

Vera Pryde, Bearcreek.

Cleola Ralston, Glacier Park.

NEBRASKA

Maude L. Brockett, Atlanta.

George E. Price, Cortland.

Mildred E. Tomes, Dwight.

Florence Hartnett, Jackson.

Maxine L. Neal, Tryon.

VIRGINIA

C. Moir Marshall, Laurel Fork.

Louise G. Sterrett, Rockbridge Baths.

Nannie Rose Tiller, Rocky Gap.

[PUBLIC LAW 181—79TH CONGRESS]

[CHAPTER 368—1ST SESSION]

[H. R. 3907]

AN ACT

To provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established in the Office of War Mobilization and Reconversion a Surplus Property Administration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$12,000 per year. The term of office of the Administrator shall be two years.

SEC. 2. (a) Effective at the time the Surplus Property Administrator first appointed under this Act qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become, respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this Act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, made, prescribed, or performed before the transfer of functions provided by subsection (a) of this section shall, except to the extent rescinded, modified, superseded, or made inapplicable by the Surplus Property Administrator, have the same effect as if such transfer had not been made; but functions vested in the Surplus Property Board by any such regulation, policy, determination, authorization, requirement, designation, or other action shall, insofar as they are to be exercised after the transfer, be considered as vested in the Surplus Property Administrator.

Approved September 18, 1945.

